

# AGRICULTURAL OUTLOOK



June 1981

● Economics and Statistics Service  
United States Department of Agriculture

**Product  
Cost Highlights**

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With input costs continuing upward and farm prices sluggish, U.S. farmers are finding their income squeezed . . . As a result, the forecast of net farm income for 1981 has been lowered; it is now expected to range from \$22 to \$27 billion, compared with \$22 billion last year.

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The same factors responsible for lowering farm income this year are helping reduce the rate of inflation in retail food prices . . . Food prices in 1981 are now expected to average 9 to 11 percent above last year, with the current assessment showing an increase of about a tenth.

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## In Brief... News of 1981 Net Farm Income, Food Prices, and Production Costs

Economic developments in the United States and abroad are squeezing the income of farm producers between higher input costs, rising with general inflation, and farm prices dampened by slower growth in inflation-adjusted consumer incomes. As a result, the forecast of 1981 net farm income has been lowered. Previously expected to range from \$27 to \$32 billion, net farm income is now anticipated to be between \$22 and \$27 billion this year—compared with \$22 billion in 1980.

Favorable U.S. crop conditions so far this spring suggest that yields will recover from last season's drought-depressed levels, leading to stable or slightly falling crop prices and a recovery in total grain stocks. Cattle prices likely will peak in the third quarter, but the overall rise will be moderate. For the year, Choice steer prices may not average significantly higher than in 1980. Pork production is declining as anticipated, and hog prices began to climb in mid-May.

U.S. agricultural exports in fiscal 1981 are now projected at \$46 billion—\$5.5 billion, or 14 percent, above last year's record. This is \$1 billion below the February estimate, reflecting reduced volume and prices for feed grains and oilseeds. Export volume is forecast at 167 million tons—3 million above the 1980 record.



With several sectors of the economy remaining weak, consumers still hold the key to continued economic growth. The main indicators of consumer-sector weakness have been slow growth in real incomes and extremely low rates of consumer saving. Continued strong consumer spending, however, indicates that the rate of saving may not adequately reflect the current financial condition of consumers.

Food prices in 1981 are expected to average 9 to 11 percent higher than last year, with current indications pointing to an increase of about a tenth. The first-quarter rise, at 9.6 percent, was the smallest in 5 years, and April's rise was also low. With prices rising moderately in the second quarter, the annual food price increase this year will likely be smaller than had been expected 2 months ago.

The Senate Committee on Agriculture, Nutrition, and Forestry completed its markup of the 1981 farm bill on May 13, and the House Committee on Agriculture tentatively completed its markup the following day. Budgetary considerations limited the options the committees could realistically consider.

After contributing heavily to large increases in farm production costs last year, input prices—particularly for fuel—will likely rise less in 1981. The fuels and energy index is projected to climb 22 to 26 percent in 1981, compared with last year's 38-percent jump. Fertilizer and chemical prices—greatly influenced by energy prices—are also likely to move up more slowly.





## Agricultural Economy

Economic conditions in the United States and abroad are squeezing the income of farm producers between higher input costs, rising with general inflation, and farm prices dampened by slow growth in inflation-adjusted consumer incomes. The agricultural economy depends mainly on conditions in the livestock sector, which is driven by consumer demand for livestock products and, indirectly, livestock feed. Although crops and livestock are dividing U.S. farm cash receipts about evenly, the use of crops as feed means that most cash receipts are flowing from consumer demand for livestock products, including dairy and poultry.

Against a background of large meat supplies, livestock prices have disappointed producers. Recent record placements of cattle on feed will produce large fed beef supplies in late summer and early fall. Cattle prices likely will peak in the third quarter, with overall rises moderate. For the year, Choice steer prices may not average significantly higher than in 1980.

Pork production is declining as anticipated, with some sharp price gains in the second half of May. Hog prices should rise through late spring and into the summer. Strength in red meat prices through the summer, because of pork production declines, will tend to strengthen broiler prices.

**Larger Crops Anticipated This Year**  
Favorable U.S. crop conditions so far suggest that yields will recover from last season's drought-depressed levels, leading to stable or slightly falling crop prices and a recovery in total grain stocks. If trend yields are achieved, world grain stocks in 1981/82 could climb about 30 million metric tons from this season's low level, with half the increase coming in the United States.

Feed grain production for 1981/82 could approach the 1978 record. If U.S. yields recover to trend as expected, inflation-adjusted prices likely will fall from this season. However, the value of feed grain production and crop receipts per harvested acre would be higher.

The 1981 U.S. wheat crop is anticipated to rise nearly 15 percent from 1980 and 27 percent from 1979. As a result, 1981/82 season average prices may fall slightly. An expected recovery in soybean production likely will be offset by expanded use, leaving stocks and farm prices little changed from this season. [Lorna Aldrich (202) 447-2317]

### LIVESTOCK HIGHLIGHTS

#### Cattle

Beef production this summer and fall will probably be a little larger than last year's level, as record April placements come to market and nonfed slaughter continues at a relatively high level. Choice steer prices will likely rise to near \$70 per cwt. during the summer quarter, compared with the upper \$60's this spring. The large March and April feedlot placements and slow pace of fed cattle marketings may have dampened a previously improving outlook for the cattle industry.

In April, rising fed cattle prices and a large movement of feeder cattle encouraged rising feedlot placements. Prices of Choice 900 to 1,100 pound steers at Omaha increased from below \$62 per cwt. in early April to \$69 late in the month, while continued drought in many areas fostered earlier movement of feeder cattle than last year. Cattle feeders in the 7 major States placed 39 percent more cattle on feed in April than the low number placed a year ago, resulting in the largest April placement since records began in 1972. Marketings declined 3 percent, leaving 3 percent more cattle on feed than on May 1 a year ago.

Lower fed cattle prices, sharply higher interest rates, and much needed rains through many drought-sensitive areas likely reduced May placements from last year's high rate. However, increased fed cattle marketings and decreased placements in May will only partly offset April's placement rate.

With slower fed cattle marketings and continued large nonfed slaughter, beef production has approached last spring's level but is still 5 to 6 percent below the winter quarter. Recent rains should improve grazing and help reduce cow slaughter rates; however, nonfed slaughter may stay near the large levels of last year, particularly if interest rates remain near 20 percent. [Ron Gustafson (202) 447-8636]

#### Hogs

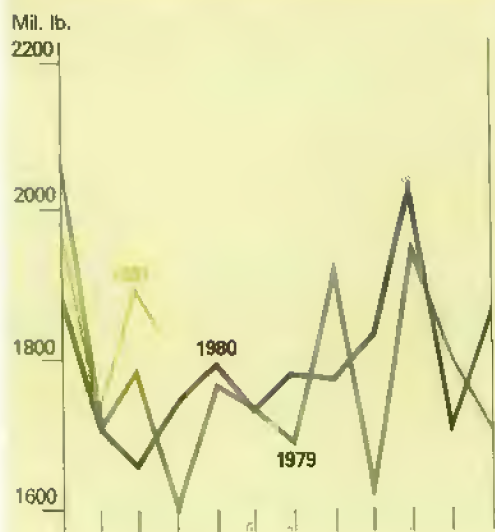
Commercial pork production is declining as expected because of seasonal factors and the smaller market hog inventory indicated in March. Commercial hog slaughter was 6 percent below a year earlier in April and 10 percent below during the last 2 weeks of May. Slaughter is expected to average 8 to 10 percent below last year for the entire spring quarter.

Although hog slaughter declined from year-earlier levels, barrow and gilt prices remained near the first-quarter average of \$41 per cwt. through mid-May, then rose to about \$46. Hog prices will likely continue rising as the slaughter rate declines further in June. Despite the decline in pork output, gains in hog prices have been limited by much higher frozen pork stocks and abundant supplies of beef and broilers.

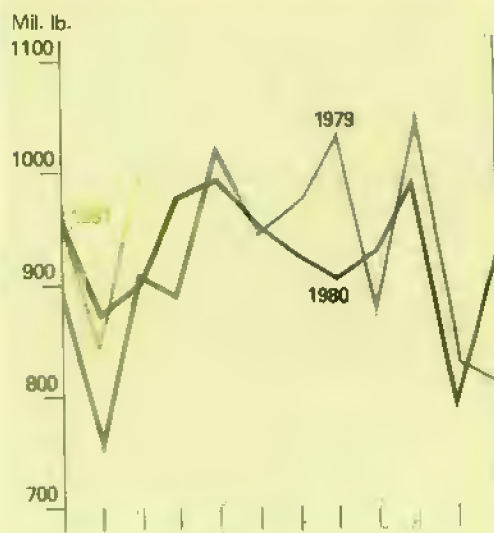
In the summer, commercial hog slaughter is expected to continue declining seasonally and total 6 to 8 percent below last year's 3,756 million lbs. Last summer's hog slaughter was distorted by above-normal temperatures that reduced daily weight gains. Hog prices for the quarter are expected to average \$50 to \$53 per cwt., with some brief periods when prices are likely to be higher.

## Supplies Update: Livestock and Products

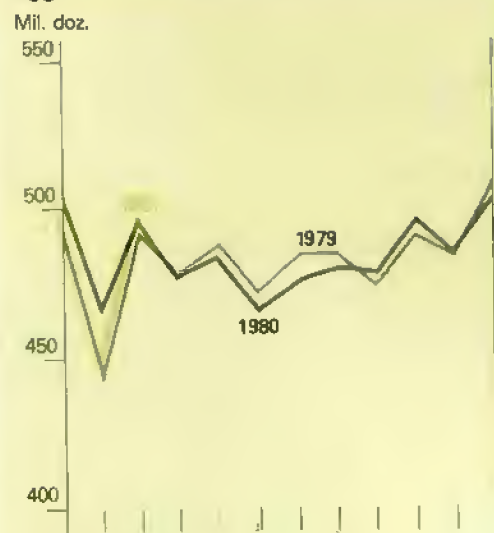
### Beef<sup>1</sup>



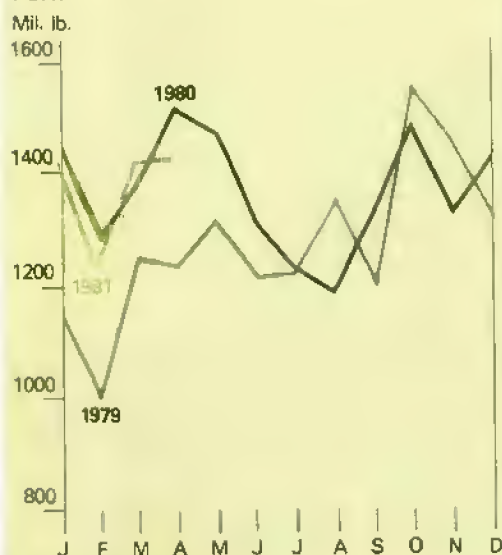
### Broilers<sup>2</sup>



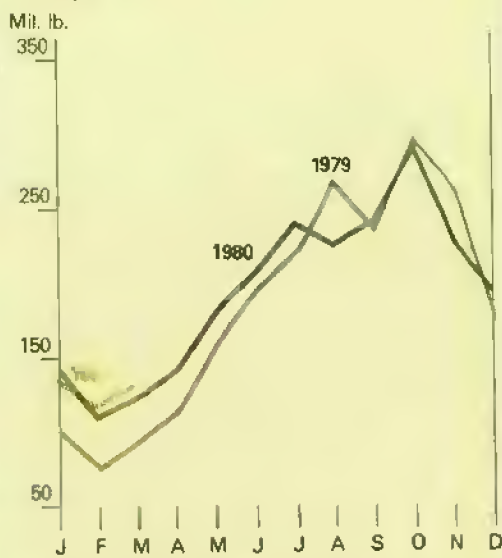
### Eggs<sup>3</sup>



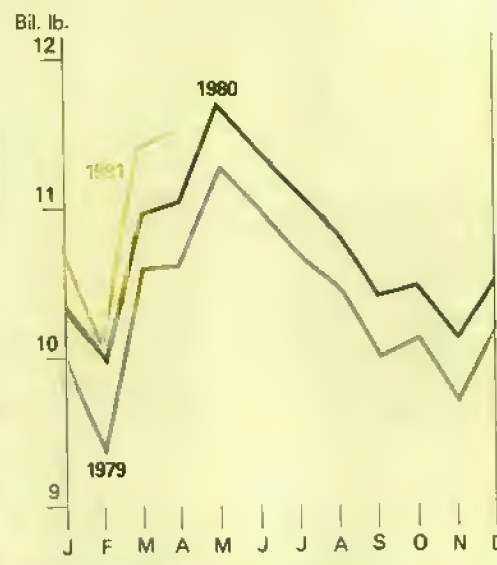
### Pork<sup>1</sup>



### Turkeys<sup>2</sup>



### Milk<sup>4</sup>



<sup>1</sup>Commercial production.

<sup>2</sup>Federally inspected slaughter, certified.

<sup>3</sup>Farm production. <sup>4</sup>Total production.

Commercial pork production may decline 10 to 12 percent in the fourth quarter if producers follow their March-May farrowing intentions as indicated on March 1. If production is down 10 to 12 percent, barrow and gilt prices may average \$49 to \$52 per cwt. [Leland Southard (202) 447-8636]

### Dairy

The combined effects of ample commercial stocks, slow consumer use, and expanded milk production have maintained downward pressure on wholesale dairy product prices. Thus, prices at wholesale have remained nearly unchanged since last fall. Given present commercial stocks and flush production now underway, wholesale prices of butter, cheese, and nonfat dry milk can be expected to remain near present levels until late summer.

Meanwhile, the all-milk price for the first quarter was up 9.4 percent from a year ago; for the year it is expected to average 8 to 10 percent above 1980. With milk production expected to total 2 to 3 percent above last year, total cash receipts may rise 9 to 13 percent from the \$16.4 billion estimated for 1980. [Cliff Carman (202) 447-8636]

### Broilers

Higher costs of feed and other inputs relative to broiler prices have caught producers in a cost-price squeeze. However, rising pork prices and the continued strong export demand for broilers may bolster prices in the second half of the year. These developments, coupled with lower feed costs if large crops materialize, may permit producers to recoup some of their losses during the rest of the year. In May, the weighted average broiler price for nine cities was about 46 cents a pound, about 5 cents above last year. Prices are expected to average 45 to 47 cents a pound in the second quarter and may rise to 51 to 54 cents this summer.



Broiler meat output will continue to increase this year. In the first quarter, production in federally inspected plants rose 3 percent from a year earlier to 2.8 billion pounds. Reports on weekly slaughter and chick placements suggest that April-June output will be 2 to 4 percent above the 2.9 billion pounds produced last year.

Weekly slaughter of heavy-type mature chickens rose in April, with producers losing 6 to 8 cents per pound of broiler produced. However, egg sets have continued at about the same level as before hen slaughter increased. Production is expected to remain near the second-quarter level during July-September, raising it 9 to 11 percent from 1980's depressed levels. [Allen Baker (202) 447-8636]

#### Eggs

Egg producers have been operating below break-even so far this year. As a result, they are cutting the number of replacement pullets entering the laying flocks. However, enough pullets are entering the flocks for producers to cull their less productive hens and still maintain a high rate of lay. The percentage of the flock with molt completed declined after reaching an historic high on January 1. Egg production is expected to about equal last year's levels during the second and third quarters. With fewer replacements, producers could only expand production by delaying culling of old hens—which would likely reduce the rate of lay. Thus, the potential for expanding production this year is limited.

May egg prices in New York averaged about 67 cents a dozen—6 cents below April but 12 cents above May 1980. Prices may average 69 to 71 cents for the entire second quarter. Prices usually strengthen in the third quarter from their second-quarter lows; this year, third-quarter prices may average 74 to 77 cents a dozen. [Allen Baker (202) 447-8636]

#### Turkeys

Turkey producers, also in a cost-price squeeze, are slowing hatchery activity. Profitable operations in the second half of 1980 encouraged turkey producers to increase 1981 output. In the first quarter, federally inspected turkey output totaled 393 million pounds, up 5 percent from a year earlier. Production during April-June is expected to increase 5 to 7 percent from 1980 levels. Second-half output may rise slightly over last year despite a drop in poult hatched. Poult death loss will likely return to normal from last year's high levels, and slaughter weights will likely rise from the low levels of a year ago.

Wholesale prices in New York for 8 to 16 pound young hen turkeys have declined from holiday levels but are still higher than last year. Prices averaged about 63 cents a pound in May, up from 53 cents a year ago. Cold storage stocks of frozen turkey are increasing earlier than normal this year, which may tend to temper prices later in the year. In second-half 1981, wholesale prices of young hen turkeys in New York will likely average about the same as last year. [Allen Baker (202) 447-8636]

#### CROP HIGHLIGHTS

##### Wheat

Responding to a relatively mild winter and generally favorable spring weather throughout major growing areas, winter development and spring wheat seeding are well ahead of normal. Increased precipitation has brightened prospects for the total U.S. crop, but the final size is still uncertain. With record harvested acreage and near-record yields, the total 1981 production is now forecast at 2.7 billion bushels, topping last year's alltime high of 2.4 billion.

As of May 1, the winter wheat crop was estimated at 2.1 billion bushels—which would make it the first crop in history to top 2 billion bushels. A larger 1981 spring wheat harvest also seems likely, although soil moisture in many areas of the Northern Plains is only slightly improved from last year's drought.

Supply/demand prospects for 1981/82 point to another year of record supplies and strong demand. Exports may exceed this year's record 1.5 billion bushels, wheat feeding may pick up because of larger supplies and more favorable wheat prices relative to feed grains, and carryover stocks could continue to rise. Farm prices will likely average somewhat below 1980/81's \$4 per bushel. [Allen Schienbein (202) 447-8776]

#### Feed Grains

Early season projections of potential increases in harvested area and yields indicate that U.S. feed grain output for 1981/82 will far exceed 1980's drought-reduced 198 million metric tons. If yields return to trend, total production would be around 231 million tons next season. Combined with a smaller carryin, however, expected supplies would be only 11 million higher than in 1980/81. Next season's total use of feed grains may increase slightly, mainly reflecting larger domestic use; however, total use may fall short of production, causing a buildup in next season's carryover.

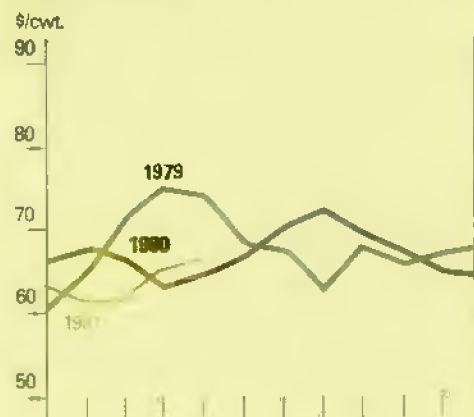
With increased supplies and only a modest rise in use, feed grain prices will probably decline slightly in 1981/82. However, even with lower prices, the per-acre farm value of feed grains—particularly corn and sorghum—would exceed the per-acre value of 1980's crop, with its below-trend yields.

The expected increase in 1981 feed grain production will come mainly from corn. The planted corn area is likely to be about 85 million acres, 1 million more than indicated in March.

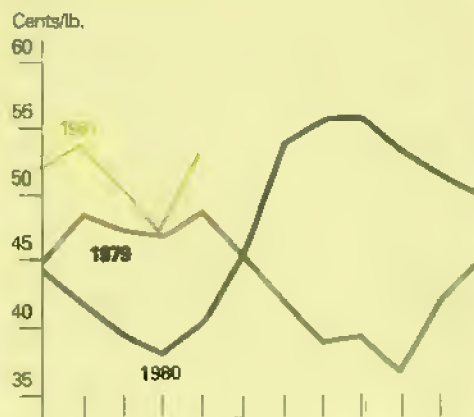
Although U.S. feed grain supplies remain tight, last winter's sharply lower use and prospects for continued weak demand indicate that 1980/81 ending stocks will be larger than anticipated. Nevertheless, at an estimated 31 million metric tons, stocks next fall would still be 40 percent below a year earlier.

# Commodity Market Prices: Monthly Update

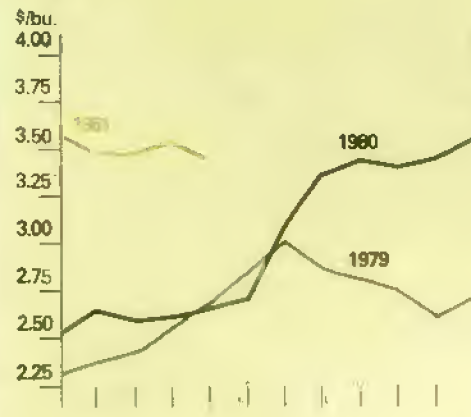
**Choice Steers<sup>1</sup>**



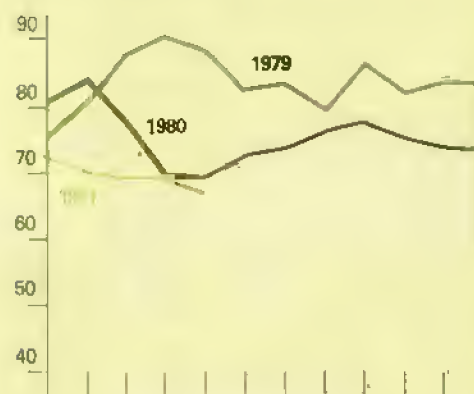
**Broilers<sup>4</sup>**



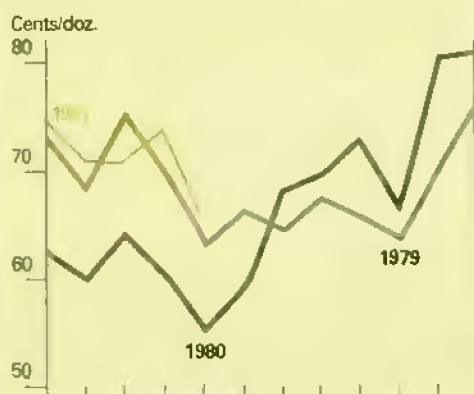
**Corn<sup>6</sup>**



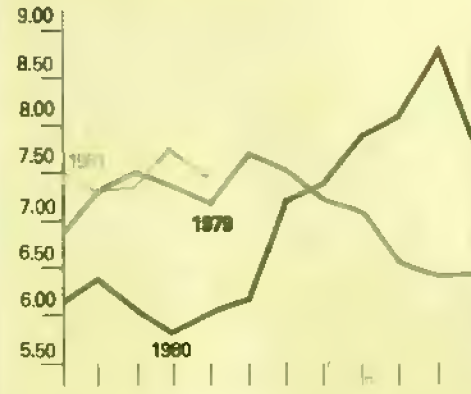
**Choice Feeder Cattle<sup>2</sup>**



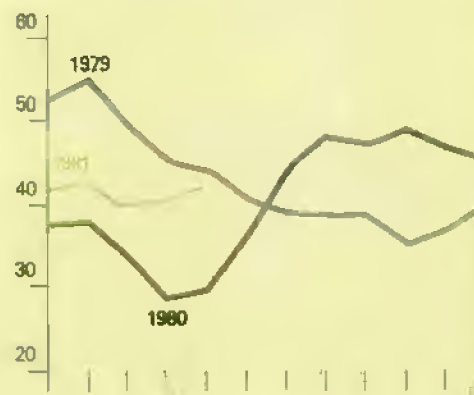
**Eggs<sup>5</sup>**



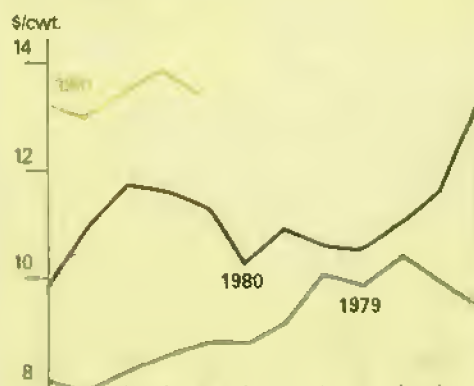
**Soybeans<sup>7</sup>**



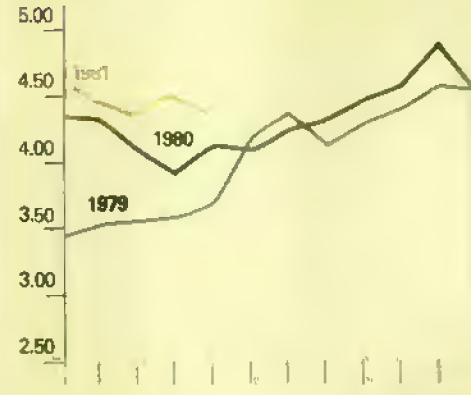
**Barrows and Gilts<sup>3</sup>**



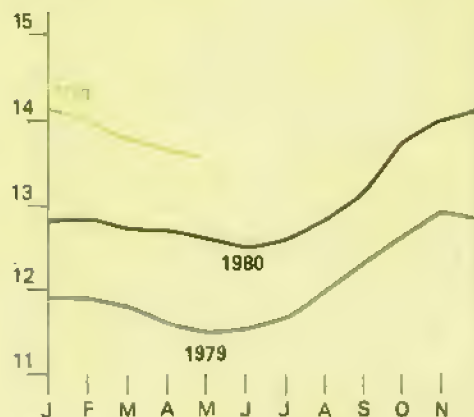
**Rice (Rough)**



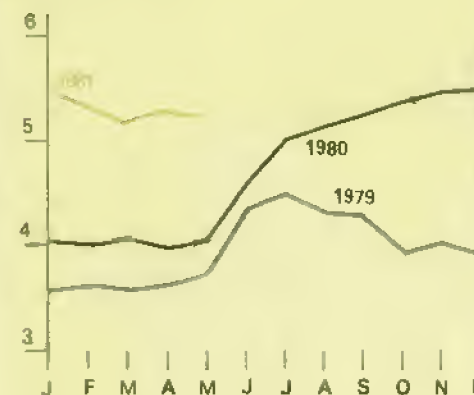
**Wheat<sup>8</sup>**



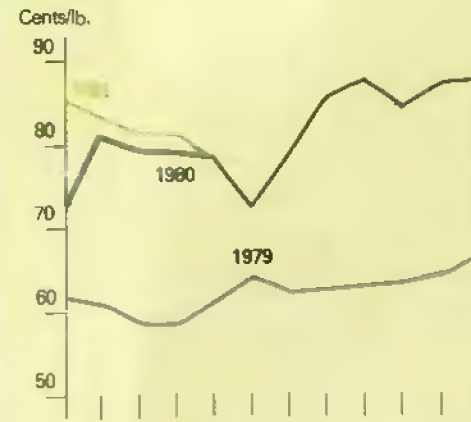
**All Milk**



**Sorghum Grain**



**Cotton<sup>9</sup>**



Prices for most recent month are mid-month prices.  
<sup>1</sup>Omaha <sup>2</sup>600-700 lbs., Kansas City, <sup>3</sup>7 markets.

<sup>4</sup>Wholesale, New York. <sup>5</sup>Grade A Large, New York.

<sup>6</sup>No. 2 Yellow, Chicago. <sup>7</sup>No. 1 Yellow, Chicago.

<sup>8</sup>No. 1 HRW, Kansas City.

<sup>9</sup>Average spot market, SLM, 1-16.



Total feed grain disappearance in 1980/81 is estimated at 220 million tons, down from last season's record 232 million. Reflecting lower livestock-to-grain price ratios, fewer animals, and increased roughage feeding, 1980/81 feed use is estimated at 123 million tons, 11 percent below last season and the smallest since 1977/78. But exports are forecast slightly higher at a record 73 million tons, and other domestic uses, at 24 million, are 11 percent above last season. *[Bob Green (202) 447-8444]*

#### **Soybeans**

Acreage for the 1981 soybean crop is currently forecast at 69 million acres, slightly below the 69.8 million indicated in the March Prospective Plantings report. Recovery to near trend yields would produce a 2.0-billion-bushel crop.

Next season's domestic disappearance and exports of beans, meal, and oil are expected to increase moderately from 1980/81 levels. Stronger domestic demand for soybean meal is expected to fuel a crush of 1.09 billion bushels—4 percent more than estimated for the current season. With a large prospective carryover of soybean oil and increased crushings, oil supplies will continue to grow next season, dampening prices of both oil and beans. The average price of soybeans for 1981/82 will likely range from \$7 to \$9 a bushel.

U.S. exports of beans, meal, and oil are forecast to recover from this season's declines, although not to the record levels of 1979/80. Much of the recovery will depend on the degree of export competition from South America, the strength of the U.S. dollar, and world economic growth. *[Leslie L. Herren (202) 447-8444]*

#### **Rice**

Near-record rice prices this spring may have encouraged producers to increase their 1981 acreage 4 percent from last year. If such an increase were realized, the rice area would be a record 3.49 million acres, likely leading to another record rice harvest and record supplies for 1981/82. An expected recovery from last year's drought-reduced yields could boost production by 5 to 10 percent from the 1980/81 record of 145 million cwt. Smaller carryin stocks will only partially offset the expected larger crop, pushing supplies up 4.5 million cwt. from this season's 171 million.

Total disappearance may not change appreciably from the current season, as expanding domestic use may be offset by a slight decline in exports. In turn, carryover stocks on July 1, 1982, may be up from this year's low level. The farm price of rice is estimated to average near this year's \$12 per cwt., falling within a range of \$10.50 to \$13.00. *[Allen Schienbein (202) 447-8776]*

#### **Cotton**

Early season projections of a sharp increase in cotton yields suggest that production will be well above last year's drought-reduced 11.1 million bales. With yields and abandonment about normal, production would be around 13.8 million bales. Even so, the low beginning stocks of 2-1/2 million bales and strong export demand will keep supplies relatively tight next season. Ending stocks for 1981/82 could be around 3.3 million bales.

With a large crop, U.S. cotton would be more competitive in world markets. U.S. exports could reach 7 million bales, up from 6 million estimated for 1980/81. Domestic mill use is likely to increase to 6.1 million bales from this season's 5.8 million.

Reflecting this summer's low stock level, cotton prices will be extremely sensitive to weather developments. Favorable weather to date has caused cash prices to decline to around 79 cents a pound, after averaging 87 cents during the first 5 months of the season. Still, current prices are slightly above a year ago. *[Sam Evans (202) 447-8444]*

#### **Vegetables**

Reflecting larger supplies, the index of farm prices for fresh vegetables declined 14 percent in April. However, with the lingering effects of Florida's January freeze and smaller imports from Mexico, prices were still 28 percent higher than a year ago. Prices for fresh vegetables likely declined substantially in May as production expanded to other States and market supplies increased.

Spring potato production is forecast at 20.6 million cwt. (934,000 metric tons)—up 21 percent from last year's record low and reflecting producers' response to record high potato prices. In April, farm prices averaged \$8.53 per cwt., compared with \$3.21 a year ago.

Early onion acreage is estimated at 25,200 (10,200 hectares), 2 percent above a year ago. Output in Texas, the major producing State, is forecast at 3.09 million cwt., down 13 percent from 1980.

The 1981 area for harvest of late crop, non-storage onions is forecast at 11,300 acres, down 10 percent from a year ago. If yields equal the past 2 years' average, the crop will be about 2.8 million cwt., 13 percent less than in 1980. So far this spring, wholesale prices for onions have been more than double a year ago. *[Jules Powell (202) 447-7290]*

#### **Fruit**

So far this year, fruit prices received by growers have averaged below year-earlier levels. The April index of grower prices for all fruit—at 196 (1967=100)—was 3 percent below a year ago. Lower prices for apples, lemons, and pears offset higher prices for grapefruit, oranges, and strawberries. Prices are expected to advance in coming months, mainly because of reduced citrus supplies. As of May 1, remaining supplies of oranges and grapefruit were sharply below a year ago.

The first forecast of 1981 peach production in the nine Southern States is 657 million pounds (298,000 metric tons), 11 percent larger than last year. Larger crops are expected for all States except North Carolina. The peach crop in these States is sold mainly on the fresh market and normally accounts for well over a third of total U.S. fresh use. *[Ben Huang (202) 447-7290]*

#### **Sugar**

Late spring declines in the world price of sugar were partly the result of general economic factors. In particular, high interest rates have raised the cost of holding sugar inventories. Another major factor could be the market's optimistic view of production prospects for the 1981/82 season beginning in September.



This season's world sugar production is now estimated at 86.1 million tons, down 1 million from last month. The consumption estimate also has been revised downward by half a million tons to 89 million. Thus, the deficit forecast between 1980/81 production and consumption is half a million tons higher than last month's estimate. Unless world sugar output in 1981/82 increases much more than 5 percent, prices later in 1981 should recover from the recent downward trend. Prices have strengthened since mid-May. [Robert Barry (202) 447-7290]

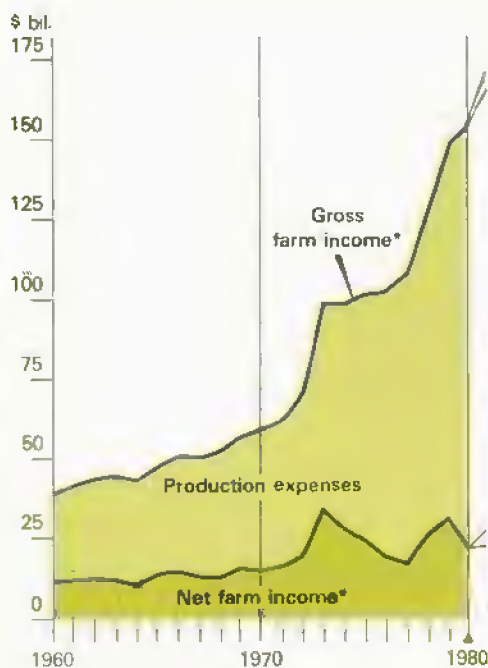
### Tobacco

Flue-cured transplanting was largely completed by mid-May as burley transplanting was just commencing. Moisture supplies are ample in the burley belt, but remain limited in the flue-cured areas. With projected yields, grower intentions point to a crop 6 percent above the 1980 outturn, with burley accounting for the gain.

Carryover stocks for mid-1981 are totaling about the same as a year earlier; however, the burley stock is down while the flue-cured is up. If the projected total crop materializes, the prospective supply for 1981/82 would be about 2 percent larger than this season.

The 1980 auction season ended May 14 with the close of southern Maryland tobacco sales. The season average price of \$1.70 a pound was record high for a tobacco auction market. [Robert H. Miller (202) 447-8776]

### Rising Costs Restrain Net Farm Income



\*Includes change in farm inventories. ▲ Forecast.

### FARM INCOME

So far this year, the economic performance of the farm sector has not been as strong as earlier expected. While agricultural exports rose nearly 15 percent in the first quarter to \$12.6 billion, farm prices for wheat, soybeans, cotton, cattle, hogs, eggs, and lambs fell below those of fourth-quarter 1980. Producers of corn, barley, oats, and rice received higher prices, but the increases were generally minor when balanced against other commodity price declines. Despite first quarter price declines, prices of all major commodities except cattle were well above a year earlier.

However, livestock prices in general have been lower so far this year than previously expected. At the same time, livestock production costs have continued to rise, keeping producers and feeders—particularly of cattle in a severe cost-price squeeze.

### Cash Receipts, Net Income Lower

Lower farm prices have reduced forecasts of crop and livestock cash receipts. As a result, first-quarter cash receipts and net farm income probably fell from the previous quarter.

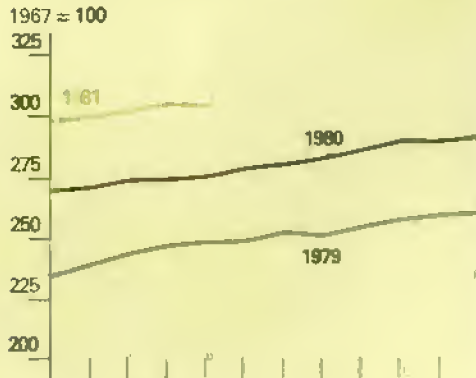
Although prices and cash receipts for crops have improved from year-earlier levels, rising input costs have left producers' real purchasing power and net income lower. From December 1980 to April 1981, the index of prices paid by farmers for production items, interest, taxes, and wages increased each month, while the index of prices received steadily declined. In the first quarter, the cost of production inputs from nonfarm sources climbed rapidly—spurred mainly by the higher cost of borrowing money, rising gasoline and diesel fuel prices, and higher farm wage rates.

Prices of inputs originating from farms declined slightly during this period as feeder cattle prices fell (partly in response to high interest rates), offsetting a small increase in the cost of animal feed. Although feed prices increased slightly, corn and soybean prices were fairly soft in the winter quarter. Corn prices are expected to strengthen and remain strong through the third quarter, while soybean prices could remain soft unless feed demand picks up and soybean oil stocks are reduced.

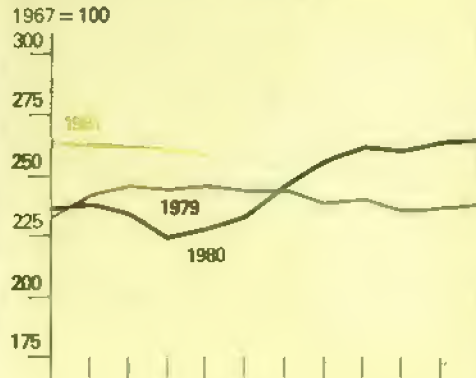
The ratio of the index of prices received by farmers to the index of prices paid generally indicates similar changes in net farm income. This ratio declined from December 1980 through the first quarter of 1981, and the factors responsible also lowered net farm income. Prices paid by farmers are expected to moderate over the rest of the year, aided by OPEC's decision to freeze oil prices. Prices farmers receive for their products should strengthen as third-quarter pork production falls and as domestic and foreign demand pick up.

# Prime Indicators of the Agricultural Economy

Prices Paid by Farmers<sup>1</sup>



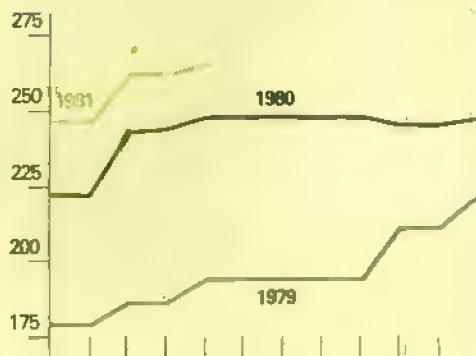
Prices Received by Farmers<sup>2</sup>



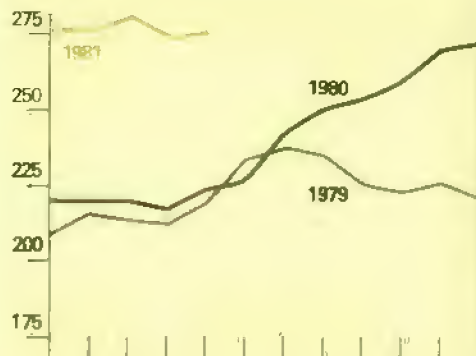
Ratio of Prices Received to Prices Paid



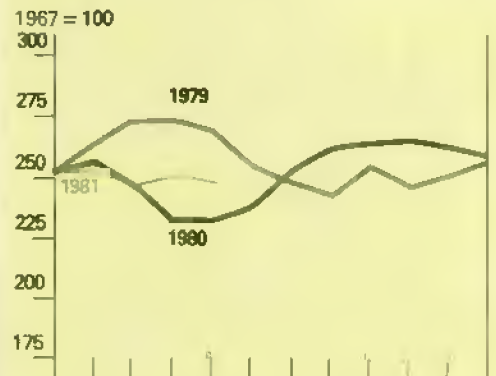
Fertilizer Prices



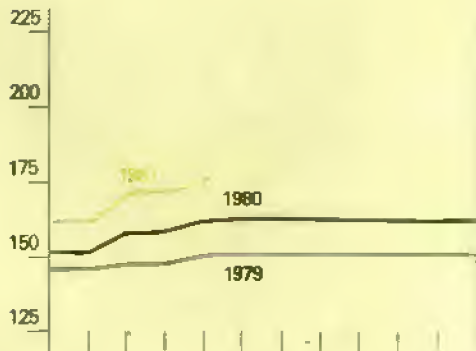
All Crops



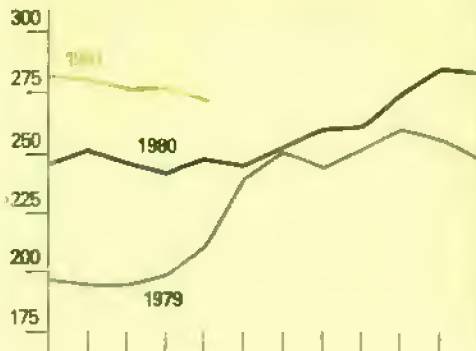
Livestock and Products



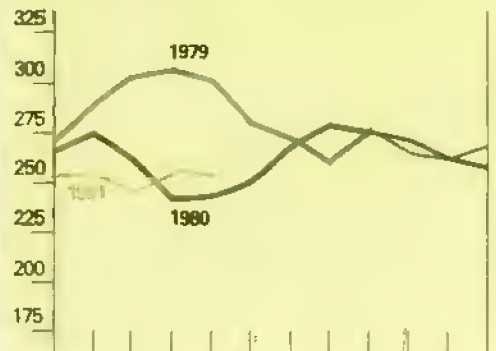
Agricultural Chemicals



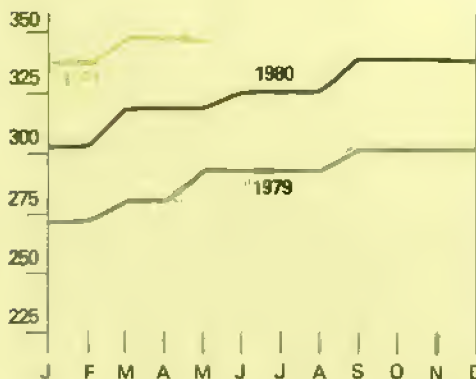
Food Grains



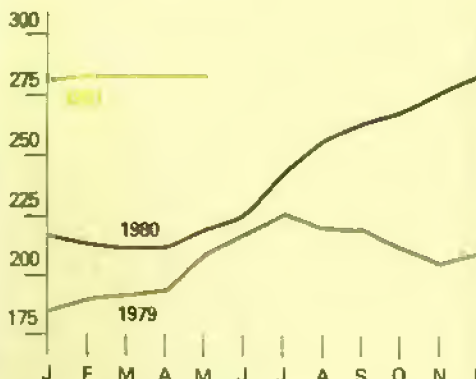
Meat Animals



Tractors and Self-Propelled Machinery



Feed Grains and Hay



Dairy Products



<sup>1</sup>For commodities and services, interest, taxes, and wages.

All series except "Ratio of Prices Received to Prices Paid" are indexes based on 1967 = 100.

<sup>2</sup>For all farm products.



Because of the weakness in commodity prices through the first 5 months of 1981, net farm income for the year likely will not meet earlier expectations. Farm income in 1981 could be only modestly higher than the 1980 estimate if 1) the general economy slows, 2) livestock prices do not improve as expected, 3) the dollar remains strong in relation to other currencies, 4) interest rates remain high, and 5) inflation fails to slow.

On the other hand, 1981 farm income could reach \$26 to \$28 billion if 1) demand for agricultural products strengthens both here and abroad, 2) interest rates fall off, helping livestock and crop prices to rise in the third and fourth quarters, and 3) farm input prices moderate.

### Forecast Risks

There are two major uncertainties about the current forecast of 1981 net farm income. The first is the preliminary estimate of 1980 farm income, which forms the basis for several components of the 1981 forecast. This is especially critical for livestock receipts, other farm income, and production expenses—forecasts based on changes from the previous year's values. Inevitably, the final 1980 farm income statistics will vary from the current estimate, causing revision not only to 1980 values but to the 1981 forecast as well. The first estimate of 1980 net farm income based on survey data is scheduled to be available this summer.

The second major uncertainty involves the price and quantity estimates used to derive 1981 forecasts of cash receipts and production expenses. A 1-percent change in either cash receipts or production expenses, for example, changes net farm income by more than 1 percent. This is because net farm income is a residual calculated as the difference between two large numbers—cash receipts and production expenses. For example, a 1-percent reduction in 1980 cash receipts—from \$140 billion to \$138.6 billion—would reduce net farm income nearly 6 percent, all other things being equal—from \$22 to \$20.6 billion. Farm income is especially responsive to changes in commodity prices, as illustrated in the accompanying table. [Gary Lucier (202) 447-4190]

### Sensitivity of Farm Income to Changes in Cash Receipts and Production Expenses...

Changes	Net Income (after inventory adjustment)	Effect on:	
		Deflated net income	Net cash income
		Percent	
1% in either crop or livestock receipts . . . . .	3	3	2
1% in total cash receipts . . . . .	6	6	4
1% in production expenses . . . . .	5	6	4
1% in opposite directions for total cash receipts and production expenses . . . . .	13	13	8

### ... And Commodity Prices

A change in the price of:	In the amount of:	Changes net farm income by:*
		\$ Mil.
Wheat . . . . .	10 c/bu.	218
Rice . . . . .	10 c/cwt.	14
Corn . . . . .	10 c/bu.	525
Sorghum . . . . .	10 c/bu.	32
Barley . . . . .	10 c/bu.	28
Oats . . . . .	10 c/bu.	20
Hay . . . . .	\$1/ton	27
Soybeans . . . . .	10 c/bu.	218
Cotton . . . . .	1 c/bu.	63
Tobacco . . . . .	10 c/lb.	182
Cattle . . . . .	\$1/cwt.	491
Calves . . . . .	\$1/cwt.	29
Hogs . . . . .	\$1/cwt.	230
Broilers . . . . .	\$1/cwt.	154
Turkeys . . . . .	\$1/cwt.	31
Eggs . . . . .	1 c/doz.	58
Milk . . . . .	10 c/cwt.	124

\* Approximate changes at 1980 prices and constant quantity levels.

### For the Latest on 1981 Crops...

As the growing season progresses, the Crop Reporting Board will be issuing official monthly updates on acreage, yield, and production for 1981 crops. To help *Agricultural Outlook* readers anticipate the most significant of these upcoming estimates, the major contents of the *Crop Production* reports for July and August are detailed below.

#### July 10:

Indicated yield and production as of July 1 for corn for grain, all wheat, winter wheat, durum and other spring wheat, oats, barley, rye, flue-cured tobacco, and summer potatoes. Also gives estimates on planted acreage and harvest area for fall potatoes and includes indicated production of wheat by classes (U.S.), commercial apples, apricots, peaches, pears, sweet cherries, tart cherries (Western States), nectarines, almonds, walnuts, and 1980/81 citrus fruits.

#### August 12:

Indicated area harvested, yield, and production as of August 1 for corn for grain, all wheat, winter wheat, durum and other spring wheat, oats, barley, rye, flaxseed, cotton, rice, hay, sorghum for grain, dry edible beans, dry edible peas, soybeans, peanuts, summer potatoes, sweetpotatoes, tobacco, sugar beets, and sugarcane. Also included will be indicated production of wheat by classes, commercial apples, peaches, pears, grapes, olives, prunes and plums, and walnuts.

To order a single copy of *Crop Production*, or to be placed on a mailing list for the report, send your name, address, and zip code to: Crop Reporting Board, USDA, Room 0005-South Building, Washington, D.C. 20250.



## World Agriculture and Trade

### FARM EXPORT UPDATE

U.S. agricultural exports in fiscal 1981 are now projected at \$46 billion—\$5.5 billion, or 14 percent, above last year's record. This is \$1 billion below the February estimate, reflecting reduced volume and prices for feed grains and oilseeds. Export volume is forecast at 167 million tons, 3 million above the 1980 record. Increased grain exports will likely more than offset a projected decline in exports of soybeans and soy products.

U.S. farm exports in the first 7 months of fiscal 1981 amounted to \$28.1 billion, 13 percent above the \$24.8 billion of a year ago. Grain exports are running 10 percent above a year earlier, offsetting a 15-percent decline in volume for soybeans and soy products. Meanwhile, export prices for grains and soybeans at Gulf ports strengthened in April and early May. Record farm exports of \$4.6 billion in March reflected strong movement of many critical export commodities (soybean meal, wheat, and feed grains).

Factors that may affect U.S. exports for the remainder of fiscal 1981 include:

- changes in general economic activity abroad and consumer demand for food,
- adjustments in livestock and poultry output and feed requirements,

### U.S. Agricultural Exports

	First half (October-March)		Fiscal year (October-September)	
	1979/80	1980/81	1980	1981 <sup>1</sup>
billion dollars				
Grains and feed . . . . .	9.32	11.98	18.67	22.8
Wheat . . . . .	3.10	3.87	6.32	7.7
Wheat flour . . . . .	.13	.12	.23	.2
Rice . . . . .	.54	.77	1.17	1.5
Feed grains . . . . .	4.64	6.01	9.10	11.4
Oilseeds and products . . . . .	5.70	5.56	10.02	10.1
Soybean cake and meal . . . . .	.93	.97	1.64	1.7
Soybeans . . . . .	3.64	3.68	6.16	6.4
Soybean oil . . . . .	.42	.23	.78	.5
Cotton <sup>2</sup> . . . . .	1.66	1.42	3.03	2.4
Fruits, nuts, & vegetables . . . . .	1.40	1.68	2.70	3.4
Tobacco . . . . .	.81	.73	1.35	1.4
Sugar & tropical products . . . . .	.38	.77	.91	1.4
Livestock products . . . . .	1.70	1.69	3.10	3.6
Dairy products . . . . .	.08	.10	.16	.2
Poultry products . . . . .	.25	.37	.55	.7
<b>Total . . . . .</b>	<b>21.29</b>	<b>24.31</b>	<b>40.48</b>	<b>46.0</b>

million metric tons <sup>3</sup>				
Wheat . . . . .	17.41	20.26	36.07	40.4
Wheat flour . . . . .	.48	.42	.88	.9
Rice . . . . .	1.44	1.65	2.96	3.3
Feed grains . . . . .	36.77	39.15	71.16	72.9
Other grain products . . . . .	.52	.59	1.07	1.2
Feeds and fodders . . . . .	2.53	2.36	6.65	5.6
Soybeans . . . . .	13.97	11.98	23.83	20.7
Soybean meal . . . . .	4.03	3.65	7.18	6.5
Soybean oil . . . . .	.63	.36	1.22	.8
Other oilcake and meal . . . . .	.20	.23	.42	.5
Other vegetable oils . . . . .	.24	.41	.60	.8
Sunflowerseed . . . . .	.93	.64	1.93	1.4
Cotton <sup>2</sup> . . . . .	1.14	.78	2.05	1.3
Tobacco . . . . .	.17	.14	.28	.3
Fruits, nuts, & vegetables . . . . .	1.56	2.10	3.11	4.2
Beef, pork, & variety meats . . . . .	.17	.19	.34	.4
Animal fats . . . . .	.73	.74	1.51	1.6
Poultry meat . . . . .	.14	.19	.32	.4
Other . . . . .	1.58	2.16	3.30	4.0
<b>Total . . . . .</b>	<b>84.63</b>	<b>88.00</b>	<b>163.88</b>	<b>167.0</b>

<sup>1</sup> Forecast. <sup>2</sup> Including linters. <sup>3</sup> Actual export tonnages not converted to product equivalents. Excludes animal numbers and some commodities reported in cases, pieces, dozens, liquid measures, etc.

- potential developments following the lifting of the USSR sales suspension,
- increased grain and oilseed supplies available from the Southern Hemisphere and favorable crop prospects in the Northern Hemisphere,
- the sensitivity of certain U.S. export markets to the exchange rate, and
- foreign exchange constraints in many less developed countries.

The net effect of the Soviet Union's reentry into the U.S. grain and oilseed market (on April 23) has yet to be determined. USDA planned to confer with the Soviets on this subject June 8-9.

### Grain Exports Remain Strong

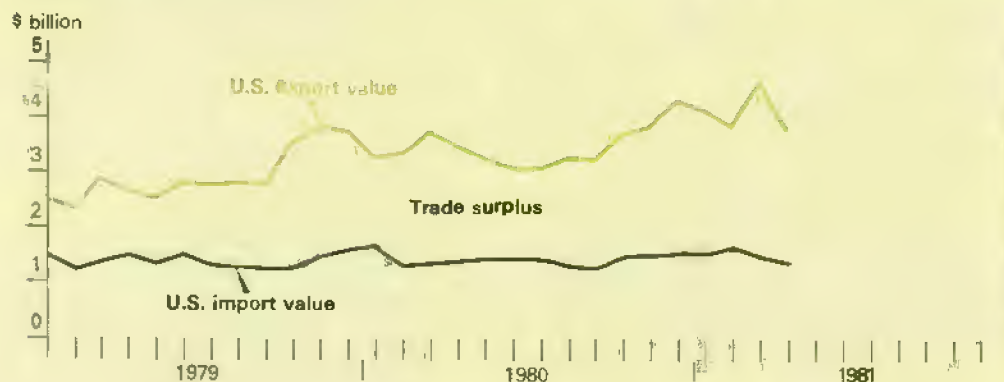
With another record year in the making for U.S. corn exports, export prices at Gulf ports rose to \$144 per metric ton in April—\$36 a ton higher than a year ago. Corn shipments through April totaled 39.0 million tons, over a fifth of which (8.0 million tons) went to Japan. Other major markets include the USSR, Mexico, Poland, Brazil, South Korea, and Spain.

Exports of wheat during January-April, ordinarily the lightest period, averaged 3.5 million tons, up from 2.5 million last year. China has already taken 4.7 million tons, a fifth of total U.S. wheat exports since October 1980. The Soviet Union is the next largest market so far at 3.0 million tons. Nearly 2.0 million tons have been

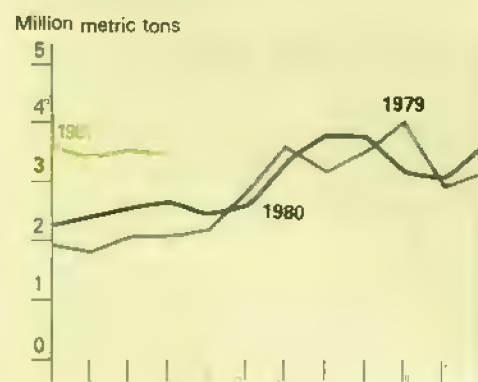


# U.S. Agricultural Trade Indicators

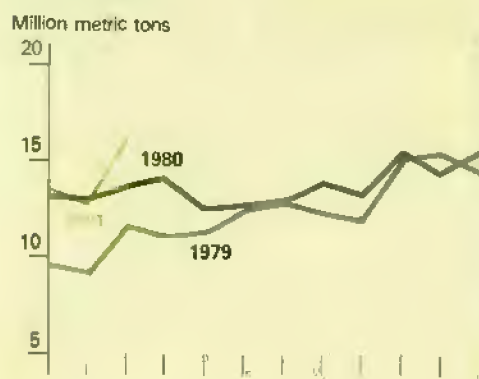
## U.S. Agricultural Trade Balance



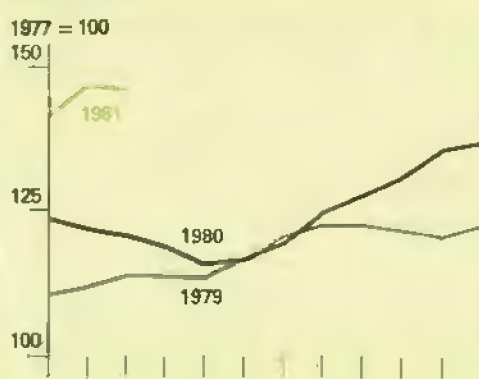
## U.S. Wheat Exports



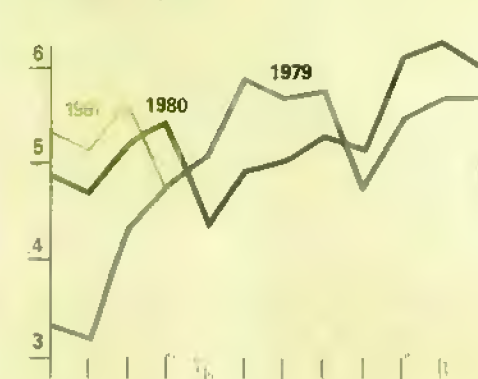
## Export Volume



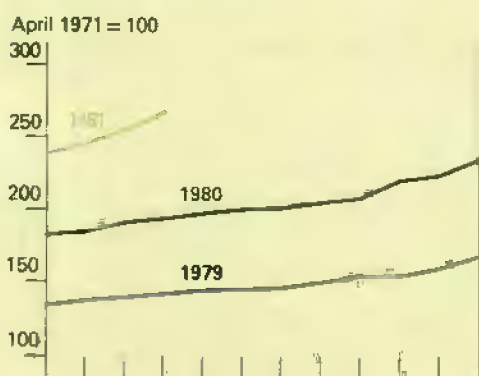
## Export Prices



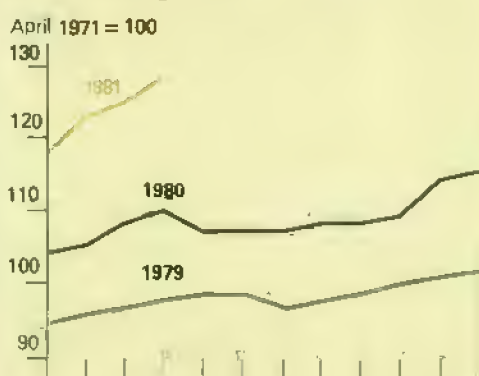
## U.S. Corn Exports



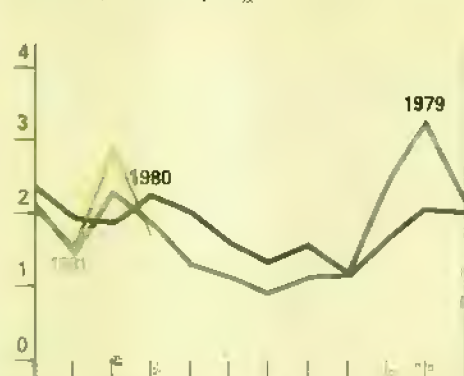
## Wheat Exchange Rate\*



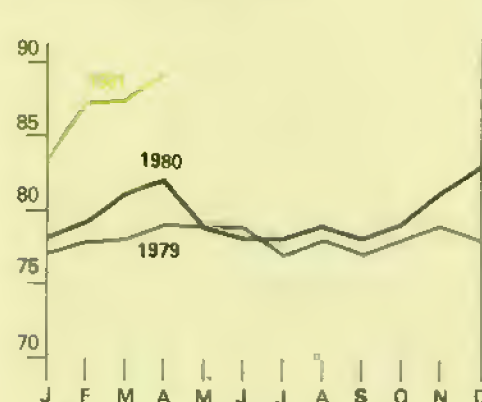
## Corn Exchange Rate\*



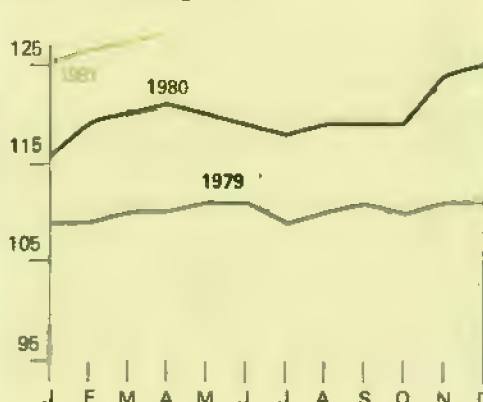
## U.S. Soybean Exports



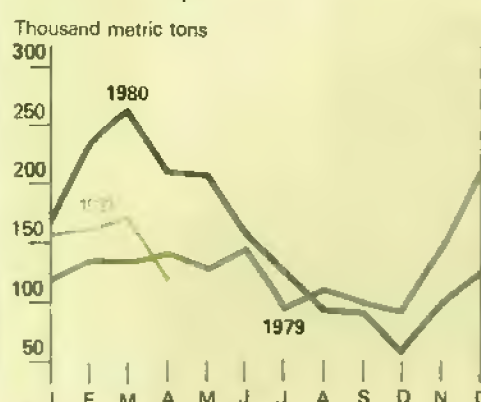
## Soybeans Exchange Rate\*



## Cotton Exchange Rate\*



## U.S. Cotton Exports



\*Foreign currency value of U.S. dollar, weighted by relative size of agricultural trade with the United States. An increasing value indicates that dollar has appreciated against the basket of currencies represented in that particular commodity market.

shipped to Japan. Other significant wheat markets during this period were Mexico, Egypt, Peru, Iran, Brazil, and Korea. The April export price at the Gulf for Hard Red Winter wheat rose to \$180 per ton, \$5 above March and \$24 above a year ago.

U.S. rice exports to Korea remained high in April and so far have totaled 819,000 tons this fiscal year—twice the level of a year ago and 42 percent of total U.S. rice exports. Other major U.S. rice markets showing significant increases during fiscal 1981 include Saudi Arabia, Nigeria, and Peru.

U.S. grain exports are expected to total about 118 million metric tons this fiscal year—over 6 million tons more than in fiscal 1980. Factors contributing to this growth include:

- a second consecutive poor Soviet crop, projected to expand world trade by 4 to 5 million tons;
- continued drought in Africa;
- favorable grain prices relative to oilmeal in many developed countries, particularly Western Europe;
- a decision by many oil-rich developing nations—including Mexico, Nigeria, Venezuela, and Saudi Arabia—to improve diets; this involves not only food grains but also feed grains for expanding livestock and poultry industries;
- a second consecutive poor rice crop in South Korea,
- rapidly expanding food grain demand in China, increased by a short wheat crop in 1980.

#### **Soybean Exports Trail 1980 Levels**

Sluggish demand for soybeans and products, exacerbated by an excellent crop in Brazil, has dampened prices. The Rotterdam price for No. 2 yellow soybeans fell from \$363 per metric ton in November 1980 to \$298 in February 1981. Prices for soybean meal and oil have followed a similar course, falling \$68 and \$105 a ton, respectively, during the same period. Bean and meal prices rebounded during March and April.

U.S. soybean exports totaled 13.6 million tons in the first 7 months of the fiscal year, compared with 16.2 million a year ago. Shipments to Western Europe are expected to end the fiscal year 15 to 18 percent below last year. More attractive alternatives such as soybean meal, corn, corn gluten feed, and citrus pulp (all available from the United States) are being used more widely there. Nevertheless, some soybean markets have shown strength this year—including Mexico, Taiwan, and Japan, the largest individual market.

After a record in March, soybean meal exports were 726,000 tons in April, bringing the October-April total to 4.4 million tons—6 percent below a year ago. Soybean meal exports apparently have benefited from the reluctance of many importers and foreign feeders to hold soybean stocks for crush because of the prevailing high interest rates and large vegetable oil supplies; evidence of this is the recent strength of meal demand in Western and Eastern Europe. As a result, the projection for fiscal 1981 soymeal exports was raised 400,000 tons in May to 6.5 million tons.

Soybean oil exports during October-April were 47 percent below year-ago levels. Contributing to this decline are 1) negligible purchases by Iran and India, the largest U.S. markets; 2) the large global stocks of soy-oil at the end of fiscal 1980; and 3) the competition from other vegetable oils, particularly Malaysian palm oil, Brazilian soyoil, and Philippine coconut oil.

#### **Cotton Export Estimate Raised**

The estimate of U.S. cotton exports in fiscal 1981 was recently raised to 6.0 million 480-lb. bales, or 1.3 million tons, in light of the stronger-than-expected demand to date. Exports amounted to 869,000 metric tons during October-April. Export prices are nearly \$400 a ton higher than a year ago.

#### **Japan, Mexico, and Africa Providing Export Strength**

Japan will remain the largest market for U.S. farm products in fiscal 1981, having bought heavily so far this year. U.S. exports of red meats, poultry, wheat, corn, and soybeans to Japan were unusually strong in the first 7 months, bringing Japan's total purchases of U.S. farm products to \$4.3 billion. However, this progress is expected to slow significantly in the second half.

Mexico has already purchased \$1.9 billion in U.S. farm products this fiscal year and will likely take another \$1 billion, making it our second largest market. The major Mexican purchases so far include corn (\$461 million), dried beans (\$226 million), sorghum (\$259 million), soybeans (\$162 million), and wheat (\$162 million).

Corn exports to Africa remain very large—1.6 million tons compared with 1.1 million a year ago. A portion of this total went to the drought-affected areas in East Africa. However, scheduled reductions in P.L. 480 shipments and the inability of many of these countries to pay rising food bills with declining export revenues may slow grain imports from the United States for the remainder of fiscal 1981. [Stephen R. Milmo (202) 447-9160]

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#### **Upcoming Crop Reporting Board Releases**

The following list gives the release dates of the major Crop Reporting Board reports that will be issued by the time the July *Agricultural Outlook* comes off press.

##### **June**

- 22 Grain Stocks  
Hogs & Pigs
- 23 Eggs, Chickens & Turkeys  
Vegetables
- 25 Peanut Stocks & Processing  
Sugar Market Statistics
- 29 Acreage  
Commercial Fertilizers
- 30 Agricultural Prices  
Agricultural Prices (Annual)

##### **July**

- 1 Poultry Slaughter  
Dairy Products
- 2 Noncitrus Fruits & Nuts  
(Midyear Supplement)
- 10 Crop Production
- 13 Vegetables
- 16 Egg Products
- 17 Milk Production
- 20 Cattle on Feed  
Cold Storage

To start receiving any of these reports, send your name, address, and zip code to: Crop Reporting Board, USDA, Room 0005-South Building, Washington, D.C. 20250. Ask for the report(s) by title.





## Spotlight on 1981 Production Costs

After contributing heavily to large increases in farm production costs last year, input prices—particularly for fuel—will likely rise less in 1981. The fuels and energy index is projected to climb 22 to 26 percent in 1981, compared with last year's 38-percent jump. Fertilizer and chemical prices—greatly influenced by energy prices—are also likely to move up more slowly.

### Review of 1980 Costs

Price rises for the main crop production inputs ranged from 6 to 38 percent in 1980, with fuel, motor supplies, fertilizer, chemicals, and interest rates up the most. Fertilizer prices averaged 24 percent higher, agricultural chemicals 18 percent, and farm motor supplies 17 percent. Long- and short-term interest rates, which significantly affect estimates and projections of variable costs, machinery costs, and land charges, also rose sharply.

Since 1978, per-acre production costs have increased substantially for all crops. The cost of producing 11 major U.S. crops rose an average of 15.4 percent per acre (excluding land costs) in 1980, and is projected to rise 14 to 19 percent this year.

### Input Prices To Rise Less This Year

Item	1979 to 1980	Increase	
		1980 to 1981	
		Midpoint	Range
		Percent	
Fuels and energy . . . . .	38	24	22 to 26
Farm motor supplies . . . . .	17	13	12 to 14
Fertilizer . . . . .	24	14	12 to 16
Tractors and self-propelled machinery . . . . .	12	11	10 to 12
Agricultural chemicals . . . . .	18	12	11 to 13
Other machinery . . . . .	11	10	9 to 11
Wage rates . . . . .	8	11	10 to 12
Autos and trucks . . . . .	6	13	12 to 14
Seed . . . . .	8	10	9 to 11
Farm real estate values . . . . .	15	12	10 to 15
Short-term interest rates . . . . .	20	-1	-3 to 2
Long-term interest rates . . . . .	12	-3	-5 to 1

For corn these costs increased 20 percent from 1979 to 1980, 14 percent for soybeans, 20 percent for wheat, and 10 percent for cotton. Per-acre cost increases varied from 9 to 20 percent in 1980, partly because the large increases in fuel prices and interest rates had different impacts on each crop. Rice production costs, more closely tied to energy prices than other crops, rose the most. The per-acre cost increase for cotton was low in 1980 because the large decline in yields substantially reduced ginning costs; excluding ginning costs, the increase for cotton was more in line with the other crops.

### Projections for 1981: Smaller Gains in Per-Unit Costs

Projections of nonland per-acre costs of producing 11 major crops will rise an average of 14 to 19 percent in 1981. If fuel prices abate somewhat, prices of fertilizer and chemicals—heavily influenced by energy prices—will likely rise more slowly. These slower rises will be offset by larger cost increases for seed, autos and trucks, and wages.

If yields rise to trend this year, nonland costs per unit of production will rise much less than in 1980. Based on long-term trend yields, per-unit cost increases in 1981 are currently projected at 1 percent per bushel of corn and oats, 6 percent per bushel of barley, 14 percent per bushel of wheat, and

## Per-Acre Costs

Crop	Total, excluding land				Total, including land <sup>1</sup>			
	1978	1979	1980	1981	1978	1979	1980	1981
	dollars per planted acre							
Corn . . . . .	150.23	177.85	213.54	246.12	199.20	232.35	277.83	320.47
Sorghum . . . . .	97.68	120.30	138.81	159.35	119.58	152.27	177.04	201.28
Barley . . . . .	92.30	113.30	129.09	147.71	118.65	143.88	165.94	184.56
Oats . . . . .	72.90	84.86	99.02	113.00	95.79	115.54	136.80	151.46
Soybeans . . . . .	99.13	114.99	131.47	149.71	150.23	164.28	192.05	223.01
Flax . . . . .	57.19	67.20	75.13	85.36	73.23	85.93	98.07	109.44
Wheat . . . . .	74.30	90.36	108.13	123.52	98.46	120.53	144.12	159.20
Rice . . . . .	280.72	323.20	384.76	444.06	338.61	378.98	449.41	514.43
Sunflower . . . . .	—	90.07	106.63	122.61	—	114.89	135.37	153.61
Peanuts . . . . .	377.91	418.30	460.24	546.49	471.72	519.99	568.12	656.13
Cotton . . . . .	262.12	317.56	349.03	405.86	299.87	362.44	395.28	455.51

<sup>1</sup> Includes land at average of share rent, cash rent, and a charge for owner-operated land based on acquisition value. Acquisition value is assumed to be the average of the last 35 years.

11 percent per cwt. of rice. Per-unit costs are projected to decline this year for cotton, sorghum, soybeans, sunflower, flax, and peanuts.

Yields assumed for 1981 unit cost projections are statistical trends based on historical data. The factors related to yields include a time trend, changes in crop acreage, and pasture conditions (a proxy for general climate and weather influences). Per-acre yields have varied dramatically during the past two crop seasons, a major source of variation in per-unit production costs. Yields for most crops in 1980 were substantially below the high yields of 1979 and those calculated for 1981.

In 1980, average nonland costs per unit of production increased greatly because, due to the drought, there was less production over which to spread costs. Per-unit costs rose an average of more than 40 percent for all crops, the increase ranging from 30 percent for oats to 89 percent for peanuts. (Robert Olson (202) 447-4190)

## Costs for Producing Corn

Item	1978		1979		1980 <sup>1</sup>		1981 <sup>2</sup>	
	Cost		Cost	Increase	Cost	Increase	Cost	Increase
	—dol.—		pct.		dol.	pct.	dol.	pct.
<b>Nonland cost per acre</b>								
Fertilizer . . . . .	33.00	37.55	14	47.66	27	55.29	16	
Machinery ownership <sup>3</sup> . . . . .	31.00	40.63	31	48.96	21	55.59	14	
Agricultural chemicals . . . . .	13.15	13.27	1	15.72	18	17.62	12	
Seed . . . . .	11.61	12.41	7	14.23	15	15.64	10	
Fuel and lubrication . . . . .	8.12	12.53	54	17.15	37	21.23	24	
Repairs . . . . .	7.39	8.99	22	10.02	11	11.34	13	
Farm overhead . . . . .	7.18	7.94	11	8.66	9	9.55	10	
Orying . . . . .	6.12	6.36	4	6.49	2	9.16	41	
Interest . . . . .	3.15	4.27	36	6.31	48	7.28	15	
Custom operations . . . . .	4.15	4.44	7	4.61	1	4.97	10	
Lime . . . . .	1.09	1.18	8	1.38	19	1.60	16	
Purchased irrigation water . . . . .	.07	.08	14	.09	13	.10	11	
Labor . . . . .	10.54	12.03	14	12.95	8	14.36	11	
Management . . . . .	13.66	16.17	18	19.41	20	22.37	15	
Total . . . . .	150.23	177.85	18	213.54	20	246.12	15	
<b>Land charge per acre</b>								
Composite current <sup>4</sup> . . . . .	86.34	107.91	25	132.01	22	151.75	15	
Composite acquisition <sup>5</sup> . . . . .	48.97	59.32	21	64.85	9	74.35	15	
Yield per acre . . . . .	100.5	109.6	9	90.5	~17	103.2	14	
<b>Cost per bushel</b>								
Variable <sup>6</sup> . . . . .	.98	1.03	15	1.51	47	1.54	2	
Nonland . . . . .	1.49	1.62	9	2.36	46	2.38	1	

<sup>1</sup> Preliminary. <sup>2</sup> Projected. <sup>3</sup> Includes replacement, interest, taxes, and insurance. <sup>4</sup> Weighted average of share rent, cash rent, and charge for owner-operated land based on current value of land. <sup>5</sup> Weighted average of share rent, cash rent, and charge for owner-operated land based on acquisition value of land. <sup>6</sup> Includes nonland. Excluding overhead, management, and machinery ownership. Yields per planted acre are used for production cost calculations.



# Per-Unit Costs

Crop	Total, excluding land					Total, including land <sup>1</sup>		
	1978	1979	1980	1981	1978	1979	1980	1981
dollars per bushel								
Corn . . . . .	1.49	1.62	2.36	2.38	1.98	2.12	3.07	3.11
Sorghum . . . . .	1.84	1.96	3.19	2.87	2.25	2.48	4.07	3.62
Barley . . . . .	2.02	2.37	3.00	3.19	2.59	3.01	3.85	3.98
Oats . . . . .	1.46	1.67	2.17	2.19	1.91	2.27	3.00	2.94
Wheat . . . . .	2.48	2.79	3.62	4.13	3.29	3.72	4.82	5.32
Soybeans . . . . .	3.39	3.60	5.02	4.97	5.14	5.15	7.33	7.41
Flax . . . . .	4.61	5.09	7.44	7.26	5.91	6.51	9.71	9.31
dollars per cwt.								
Rice . . . . .	6.31	7.08	8.92	9.94	7.61	8.30	10.42	11.51
Sunflower . . . . .	NA	6.84	11.20	9.34	NA	8.73	14.22	11.70
dollars per pound								
Peanuts . . . . .	.145	.162	.307	.213	.181	.201	.378	.213
Cotton . . . . .	.672	.633	.954	.898	.769	.722	1.080	1.007

<sup>1</sup> Includes land at average of share rent, cash rent, and a charge for owner-operated land based on acquisition value. Acquisition value is assumed to be the average of the last 35 years. NA = Not Available.

# Yields To Rise from 1980 Levels

Crop	Actual			1981 Projected <sup>1</sup>	
	1978	1979	1980	Midpoint	Range <sup>2</sup>
Bushels per planted acre					
Corn . . . . .	100.5	109.6	90.5	103.2	96 to 110
Sorghum . . . . .	53.2	61.4	43.5	55.5	49 to 59
Barley . . . . .	45.8	47.8	43.1	46.4	44 to 50
Oats . . . . .	50.1	50.4	45.6	51.6	43 to 59
Wheat . . . . .	29.9	32.4	29.1	29.9	28 to 32
Soybeans . . . . .	29.2	31.9	26.2	30.1	28 to 32
Flax . . . . .	12.4	13.2	10.1	11.8	9 to 14
Cwt. per planted acre					
Rice . . . . .	44.5	45.7	43.1	44.7	43 to 46
Sunflower . . . . .	NA	13.6	9.5	13.1	12 to 14
Pound per planted acre					
Peanuts . . . . .	2,602	2,587	1,439	2,569	2,250 to 2,875
Cotton . . . . .	390	502	366	452	400 to 500

<sup>1</sup> Based on regressions of per-acre yield on time (1966-1980), index of pasture conditions and area harvested. Area harvested was omitted for cotton. <sup>2</sup> Rounded but based on plus and minus one standard error of prediction. Chances are 2 out of 3 that yields will fall within this range. NA = Not Available.

USDA conducts a comprehensive program of research on costs of production in compliance with Public Law 93-86, the Agriculture and Consumer Protection Act of 1973. Annual reports are submitted to Congress on costs of producing selected crops, milk, feeder cattle, fed cattle, hogs, and sheep. This article covers costs for 11 crops, giving estimates for 1978 through 1980 and projections for 1981.

Cost determinations can differ considerably and still be valid estimates for a particular purpose and set of circumstances. The costs shown here are national averages for crop production on an average acre of land. They are indicators of year-to-year changes in production costs and are not adequate for assessing total farm income or farmers' current cash situation.

The cost estimates presented here were compiled during the first quarter of 1981; they are based on a set of national and regional budgets produced and updated by a computerized set of budget-generator and aggregation programs. These budgets are, in turn, based on surveys of producers for their primary data.



## General Economy

With several sectors of the economy remaining weak, consumers still hold the key to continued economic growth. Over the past year, forecasts of economic growth have consistently underestimated consumer spending; in fact, presumed weakness in this sector has been primarily responsible for a number of recession forecasts. Since consumer spending accounts for almost two-thirds of Gross National Product (GNP), an underestimation of this component translates almost directly into an underestimation of GNP.

The main indicators of consumer-sector weakness have been slow growth in real incomes and extremely low rates of consumer saving. These led to the belief that spending would be restrained as consumers began to rebuild savings, thus slowing economic growth. Continued strong consumer spending, however, indicates that the rate of saving as measured in the National Income Accounts (NIA) may not adequately reflect the current financial condition of consumers.

The NIA measure current production of goods and services and do not count purely financial transactions and capital gains. However, large capital gains on existing homes have probably encouraged owners to continue spending despite the low aggregate saving rate. Likewise, debt paybacks, which improve a consumer's balance sheet and therefore represent a potential source of buying power, are another source of information on the financial condition of consumers. Over the past year, consumers have improved their debt-to-income ratios—putting them in a position to increase debt levels if desired.

Consumer spending will likely grow moderately through the rest of the year, with no substantial retrenchment envisioned as long as measures of consumer confidence remain high.

### Business Investment Remains Cautious

While business fixed investment increased substantially in the first quarter of 1981, a similar increase is not expected during the current quarter. Despite low capacity utilization, there is strong underlying demand for new capital equipment—primarily for replacing energy-inefficient capital and modernizing obsolete facilities. However, investment will be constrained by relatively low profits, high costs of borrowing, and uncertainty about the outcome of the proposed tax cuts.

Anticipating an economic downturn, businesses have kept inventories extremely low—which may have prevented a typical inventory-induced recession from occurring. Because inventories are so lean—perhaps below profit-maximizing levels—restocking may provide some investment strength.

### Interest Rates Still Restraining Housing and Auto Sales

To curb reserve borrowing at the discount window, in late April the Federal Reserve Board raised the discount rate to 14 percent and added one point to the penalty rate (now 4 percent)—making the cost of this source of reserves to frequent borrowers 18 percent. These actions were intended to help bring the rates of money supply growth within the upper bounds of the Fed's targets. As a result, interest rates—which had been widely expected to continue declining irregularly, at least through midyear—then increased sharply. High interest rates dampen the economy unevenly, with housing, autos, and thrift institutions among the most sensitive.

Continued high interest rates combined with expected slow growth in real incomes portend a bleak near-term outlook for housing. In addition, the continued outflow of funds from thrift institutions—\$2.3 billion in March and a record \$4.6 billion in April—is limiting funds for mortgage lending. Recent actions by the Federal Home Loan Bank Board (FHLBB), which oversees thrift institutions, will enable thrifts to become more competitive over time, but cannot halt earnings losses in the near term.

As a result of the FHLBB's actions, thrifts can now offer competitive rates of return on short-term accounts of less than \$100,000 (that are due in less than 89 days) and can offer variable-rate mortgages. The changes will allow thrifts to more rapidly adjust costs and returns of their lending and borrowing activities. How these actions will affect the housing industry is not certain, but wide acceptance of variable-rate mortgages effectively shifts the risks associated with interest-rate changes from thrifts to home buyers.

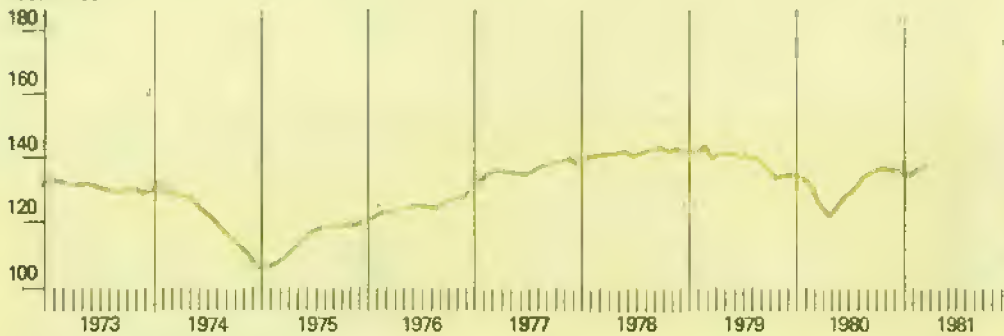
The voluntary import quotas on Japanese autos are not expected to have a major impact on domestic auto sales this year. High interest rates, slow economic growth, and high sticker prices will prevent a major rebound in domestic sales. However, the pent-up demand for new energy-efficient cars suggests that auto sales will rise substantially once the economy returns to full strength.  
[Randy Zeiner (202) 447-2317]



# General Economic Indicators

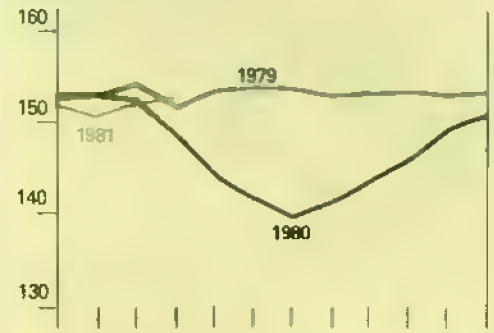
**Composite Leading Economic Indicators**

1967 = 100



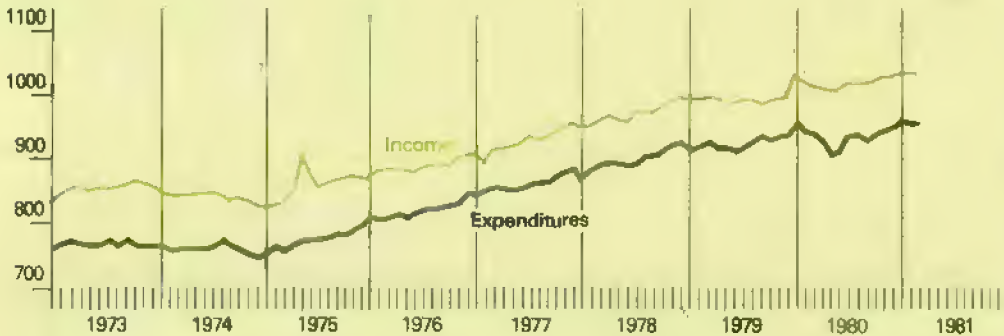
**Industrial Production**

1967 = 100



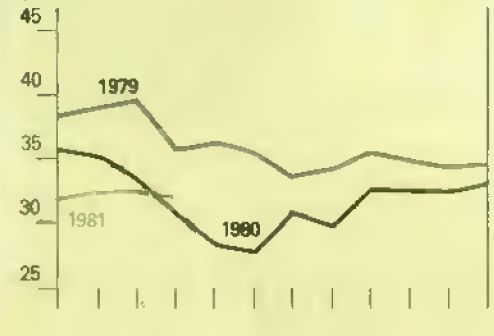
**Disposable Income and Consumption Expenditures<sup>1,7</sup>**

\$ bil.



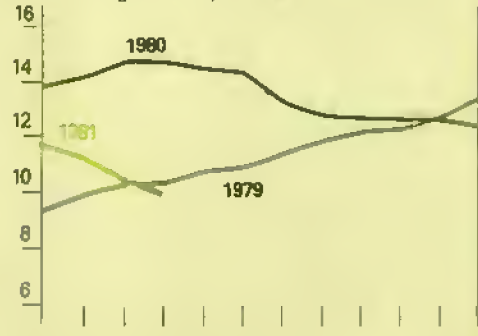
**Manufacturers' Durable Goods Orders<sup>2</sup>**

\$ bil.



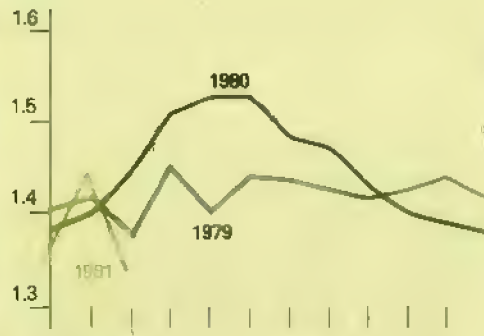
**Consumer Price Index**

Percent change from a year earlier



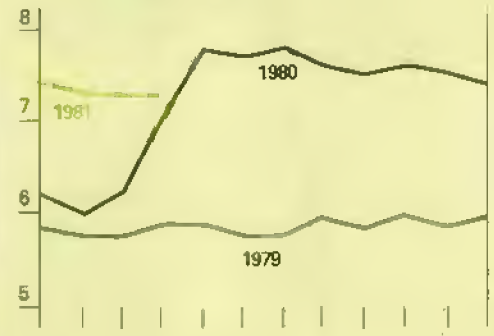
**Inventory/Sales<sup>3</sup>**

Ratio



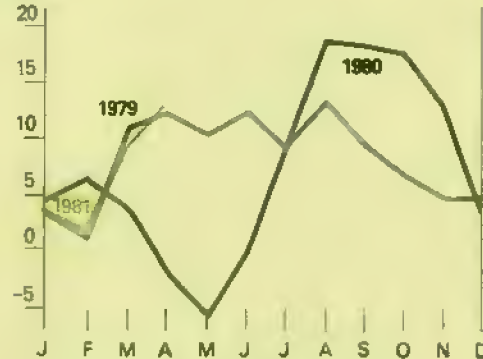
**Unemployment<sup>4</sup>**

Percent of all civilian workers



**Money Supply (M1-B)<sup>5</sup>**

Percent



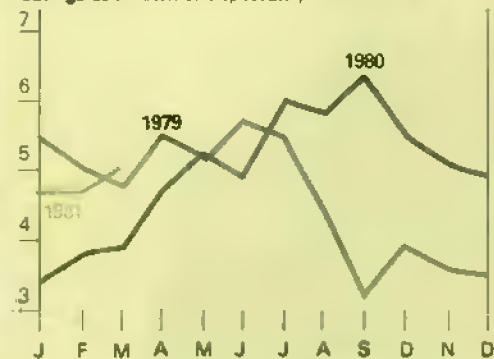
**Treasury Bill Rate**

Percent



**Savings Rate<sup>6,7</sup>**

Savings as percent of disposable personal income



<sup>1</sup>Billions of 1972 dollars, seasonally adjusted at annual rates. <sup>2</sup>Billions of 1967 dollars. (Current dollars deflated by seasonally adjusted producers price index for capital goods). <sup>3</sup>Manufacturing and trade, seasonally adjusted at annual rates. <sup>4</sup>Seasonally adjusted. <sup>5</sup>Annual rate of change in 3-month moving average.

<sup>6</sup>Calculated from disposition of personal income in 1972 dollars, seasonally adjusted at annual rates. <sup>7</sup>Estimate for latest month. Sources are the U.S. Department of Commerce, the U.S. Department of Labor, and the Board of Governors of the Federal Reserve System.



## Food and Marketing

Food prices in 1981 are expected to average 9 to 11 percent higher than last year, with current indications pointing to an increase of about a tenth. The first-quarter rise, at 9.6 percent, was the smallest in 5 years. With prices rising moderately in the second quarter, the annual food price increase this year will likely be smaller than had been expected 2 months ago.

### FOOD PRICE OUTLOOK:

#### More Rapid Gains in Third Quarter, Slower Rise in Fourth

In the third quarter, retail food prices will rise more rapidly than in the first 2 quarters. The main cause will be reduced pork production, leading to increases in the farm value of food. The price spread will widen as well, reflecting higher food marketing costs.

With lower red meat supplies, retail beef and pork prices will climb in the third quarter. Poultry production will increase, but as consumers shift away from higher priced beef and pork, retail poultry prices will also move higher.

Potato prices will remain high through the summer, reflecting small supplies. However, production of other fresh vegetables will increase seasonally, pushing third-quarter vegetable prices down. Fresh fruit prices in the third quarter will continue to rise seasonally as citrus supplies decline and apples are drawn from cold storage.

### Food Price Forecasts for 1981

Consumer Price Index for	Change from previous year	
	1980	1981
	Percent	
All food . . . . .	8.6	10
Food away from home . . . . .	9.9	10
Food at home . . . . .	8.0	10
Meats . . . . .	2.9	7
Beef and veal . . . . .	5.7	5
Pork . . . . .	-3.4	13
Other meats . . . . .	3.8	7
Poultry . . . . .	5.1	9
Fish and seafood . . . . .	9.2	11
Eggs . . . . .	-1.8	11
Dairy products . . . . .	9.8	9
Fats and oils . . . . .	6.6	14
Fruits and vegetables . . . . .	7.3	14
Sugar and sweets . . . . .	22.9	11
Cereals and bakery products . . . . .	11.9	11
Nonalcoholic beverages . . . . .	10.6	7
Other prepared foods . . . . .	10.8	11

With smaller gains in peanut butter prices and large supplies of other fats and oils, the third-quarter price rise for fats and oils is expected to be less than in the first quarter. After rising sharply from October to February, peanut butter prices have slowed. Reduced export demand for oilseeds has led to large supplies of other fats and oils, keeping downward pressure on prices.

Retail sugar prices may fall some in the third quarter. Reduced global consumption—due to increased substitution of high fructose corn sirup—has narrowed the production deficit and stock drawdown this year. In addition, high interest rates and improved crop prospects in many countries probably have reduced demand for inventories. Consequently, wholesale sugar prices have fallen, with a decline in retail likely in the next few months.

In the fourth quarter, gains in retail food prices are expected to slow. Seasonally higher supplies of meats and other food-stuffs will tend to stabilize prices somewhat. Supplies of fruits and vegetables will be ample in the fall, lowering prices for those foods. A normal peanut harvest will likely reduce prices for peanut butter, further slowing price rises for fats and oils. Prices for dairy products will increase seasonally this fall with additional increases likely if price supports are raised October 1.

Regarding specific food groups, lower-than-expected meat prices have been the primary cause of revisions in the 1981 food price outlook. Price forecasts for dairy products, sugar and sweets, and nonalcoholic beverages have also been revised downward, while higher prices are now forecast for fruits and vegetables, fats and oils, and fish.

### Meat and Poultry

Slaughter of nonfed cattle as well as overweight grain-fed cattle has been larger than anticipated this year. Beef production in the first quarter was 6 percent larger than a year earlier, but consumer demand for beef has been weak. Consequently, retail beef prices in the first quarter fell from fourth-quarter 1980 and have changed little so far in the second quarter.

Commercial pork production in the first quarter did not decline as much as had been anticipated last fall; pork output was only 1 percent below the very high level of a year earlier. First-quarter retail pork prices were a tenth above a year ago, but still lower than expected.

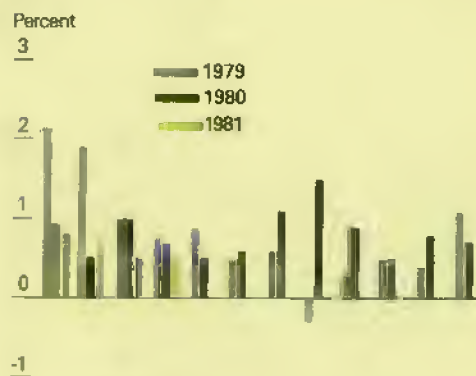
Poultry production was nearly 3 percent higher in the first quarter than a year earlier. With lower-than-expected beef and pork prices and larger poultry output, poultry prices declined from their late-1980 level; however, they remained a tenth above a year earlier during the first quarter.

Although meat and poultry prices are expected to rise sharply by the end of the third quarter, the low prices so far this year will hold down the annual increases.

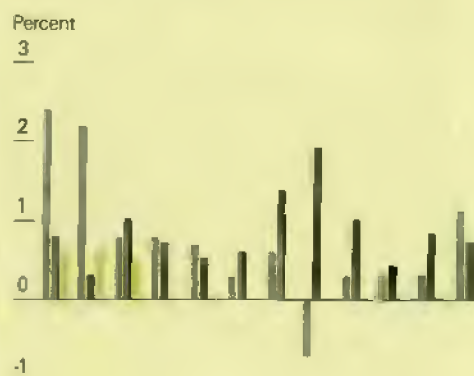


# Food and Marketing Indicators

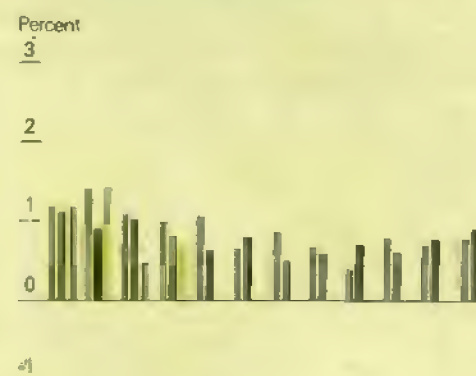
**CPI: Total Food** °



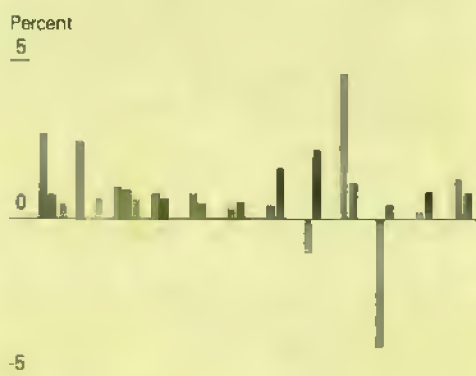
**CPI: Food at Home** °



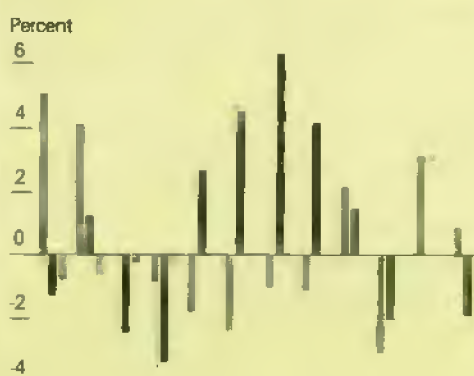
**CPI: Food Away from Home** °



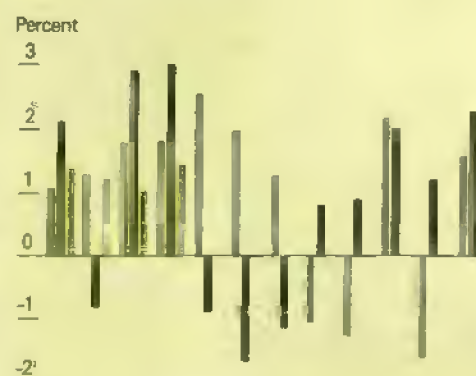
**Farm Food Market Basket, Retail Price**



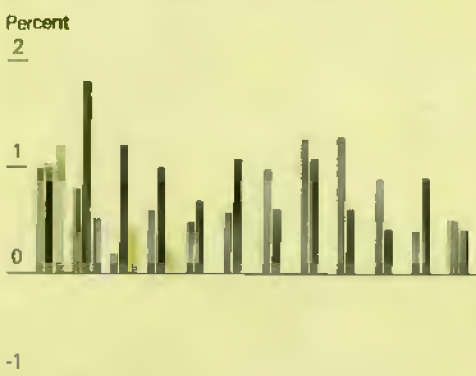
**Farm Value**



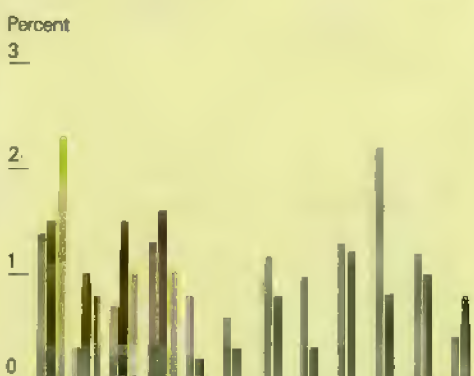
**Farm-to-Retail Spread**



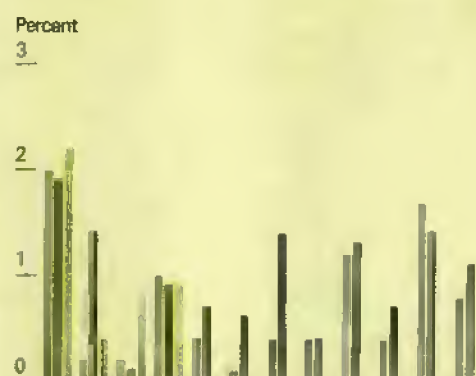
**Imported Food and Fishery Products**



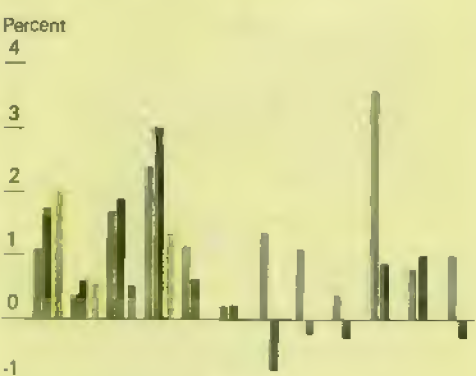
**Marketing Cost Index**



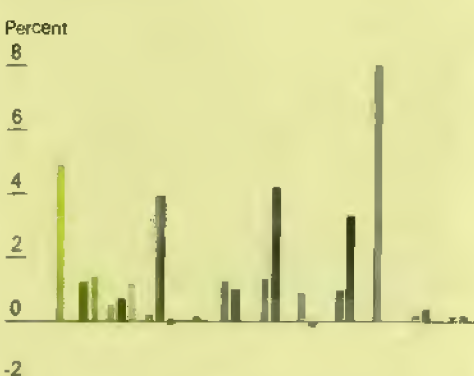
**Labor Cost**



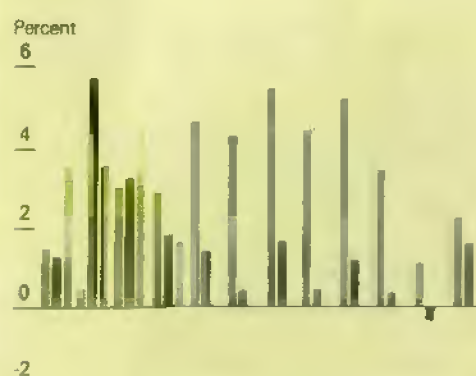
**Packaging Cost**



**Rail Freight Rates**



**Energy Rates**



°CPI unadjusted

All series expressed as percentage change from previous month.

### Dairy Products

The forecast for dairy product prices has also been revised downward. Commercial use of milk is down from last year, and production is up because of the larger dairy herd and higher average output per cow. In addition, elimination of the April 1 price-support increase has held down prices.

### Fruits and Vegetables

Prices forecast for fruits and vegetables have been revised upward because of the high first-quarter prices for fresh vegetables and frozen concentrated orange juice. These increases resulted from the reduced supplies following Florida's mid-January freeze.

### Fats and Oils

Prices forecast for fats and oils have been revised upward because of the increased prices of peanut butter. Wholesale peanut butter prices have jumped 56 percent since October—reflecting the drought-reduced peanut crop last fall—and these increases have been passed through to retail.

### Sugar and Sweets, Nonalcoholic Beverages

Sugar and sweet prices have been revised downward significantly. Although global supplies of raw sugar remain low, wholesale prices have declined in the last few months. Because of the lower sugar price forecast, prices for nonalcoholic beverages have also been revised downward. Retail coffee prices have also been falling because of adequate global supplies and prospects for a large 1981 crop in Brazil.

### Fish and Seafood

Cold weather in January reduced the fish catch, bringing supplies below seasonal norms. This caused higher-than-expected prices through much of the first quarter and pushed the expected annual price increase up.

### Forecast Uncertainties

The greatest uncertainty in the forecast is in the estimate for the farm value of foods. So far this year, marketings of livestock have been larger than expected. As a result, the farm value fell in the first quarter and has shown little movement in the second, thus lowering the forecast of 1981 farm value from earlier expectations. The current forecast calls for a 5 to 10 percent increase in farm value, which would account for about a fourth of the retail food price rise. The

timing of livestock marketings through the rest of the year, the development of this year's crops, and agricultural export demand will all influence the 1981 increase in farm value.

Partly because of the decline in farm value, the farm-to-retail price spread rose sharply in the first quarter, causing an upward revision in the expected annual increase in the spread. Now estimated to rise 11 to 13 percent, the spread will account for more than half of this year's food price rise. The final outcome will depend on general economic conditions and the inflation rate.

Prices for fish and imported foods are forecast to rise 9 to 11 percent this year. The size of global coffee and sugar crops will be important in determining prices for this category of foods.

These uncertainties could push the increase in 1981 food prices up as high as 11 percent if increases in the farm value, the spread, and fish and imported food prices reach the top of their respective ranges. Such a scenario would require livestock marketings to drop off sooner than expected, domestic and foreign crops to fall short of expectations, agricultural export demand to rise, and inflation to worsen. Conversely, a food price rise of 9 percent would be attained if increases in the farm value, the spread, and fish and imported food prices reach the low end of their respective ranges. (Ralph Parlett (202) 447-6860, and Paul Westcott (202) 447-8801)

### Upcoming Situation Reports

USDA's Economics and Statistics Service will issue the following situation reports this month:

Title	Summary Released
Ag Supply & Demand*	June 23
Fruit	July 2
Livestock & Meat	July 8
Farm Real Estate	July 9
World Crop Production*	July 10
Ag Supply & Demand*	July 13
Fats & Oils	July 16

All reports reviewed by the World Food and Agricultural Outlook and Situation Board (WFAOSB). Copies of the full reports will be available a week to 10 days after the summary is released. Reports can be obtained by writing to: ESS Publications, Room 0054-South Building, USDA, Washington, D.C. 20250. \*These reports, released by the WFAOSB, are issued in full on the date indicated.



## Agricultural Policy

On May 13, the Senate Committee on Agriculture, Nutrition, and Forestry completed its markup of the 1981 farm bill. The House Committee on Agriculture tentatively completed its markup on May 14. Budgetary considerations limited the options the committees could realistically consider. What follows is a comparison of the two committee bills with current law for the major commodity programs.

- **Payment Limitations.** Both committees continued this provision, which limits payment to producers in the commodity program (wheat, feed grains, upland cotton, and rice) to \$50,000 for each crop year; disaster payments were limited to \$100,000. This payment limit does not include money obtained through crop loans and purchases.

- **Disaster Payments.** The Senate Committee allows the Secretary of Agriculture to make disaster payments for crop years 1982 through 1985, if the Secretary determines that Federal Crop Insurance and other Federal disaster assistance are not sufficient to alleviate the economic emergency in question. The disaster program would be available in all areas for producers of wheat, feed grains, upland cotton, and rice not covered by Federal Crop Insurance.

The House committee authorized disaster payments for wheat, feed grains, cotton, and



rice in 1982 only in counties where Federal Crop Insurance would not be available.

- **Dairy.** The Senate committee changed the required level of milk price supports from the current 80 to 90 percent of parity (adjusted semiannually); the change calls for an October 1 adjustment to 75 to 90 percent of parity and an April 1 adjustment to 70 percent of parity or the current actual level, whichever is higher (with the Secretary of Agriculture determining the level). The Senate would also allow the Secretary to set the October 1 adjustment below 75 percent of parity (to as low as 70 percent) if the estimated net costs of the dairy program exceed \$500 million or if estimated CCC purchases exceed 3.52 billion pounds.

The House committee set the support rate at 75 to 90 percent of parity, adjusted semiannually. The level of support would be based on expected net government purchases—the greater the purchases, the lower the support level.

- **Wheat.** In 1977, Congress initiated major changes in the wheat, cotton, and feed grain programs by suspending the historic allotment systems. The House and Senate committees continued the suspension of these policy tools.

Under the Senate committee bill, the minimum loan rate for wheat for crop years 1982 through 1985 would be \$3.50 a bushel. The Secretary of Agriculture could raise the loan level if necessary.

The target price system was retained, with the minimum level set at \$4.20 a bushel for 1982, and rising 20 cents each year through 1985. The Secretary could increase the target above these minimums to reflect changes in the cost of production. Deficiency payments would be determined as with current law.

The Secretary could limit the acreage planted to wheat, feed grains, and cotton. This would be a crop-specific program accomplished by applying a uniform percentage reduction to the wheat acreage base for each farm. The Senate committee bill would continue the paid land diversion program, but eliminate payments for wildlife habitats and public access. It would also eliminate use of the normal crop acreage and the cross-compliance provision, although offsetting compliance authority would continue. The date for announcing the national program acreage for wheat would advance from August 15 to

August 1. The special grazing and hay provision was extended.

The House committee set a minimum loan rate of \$3.55 a bushel. This support level would be adjusted annually by the same percentage as the change in target prices, which would start at a minimum of \$4.20 a bushel for 1982. Target prices would change based on the estimated average adjusted cost per acre for the current and preceding years or for the immediately preceding 2 crop years. The costs to be examined will be variable costs and costs of machinery ownership and general farm overhead.

- **Feed Grains.** The feed grain provisions of both committees are very similar to those for wheat. On the Senate side, provisions for disaster payments, acreage limitation, paid land diversion, allotment, and cross-compliance are identical. The minimum loan rate for corn from 1982 through 1985 would be \$2.60 a bushel, which the Secretary could raise if necessary. The target price program was continued, with the minimum for corn set at \$2.80 a bushel in 1982 and rising 15 cents annually through 1985. The Secretary could raise the target above these minimums to reflect changes in production costs. The deficiency program would continue as with current law.

Loan levels and target prices for the other feed grains would continue to be set by the Secretary in relation to those for corn. In addition, the committee mandated a target price program for oats and advanced the date for announcing the national program acreage for feed grains from November 15 to November 1.

The House committee set a minimum loan level of \$2.65 a bushel for the 1982 corn crop, to be adjusted annually to reflect changes in target prices. The corn target price for crop year 1982 would be \$2.90 a bushel. Target prices would change annually based on the estimated average adjusted cost per acre for the current and preceding years or for the immediately preceding 2 crop years. The costs to be examined will be variable costs, costs of machinery ownership, and general farm overhead. Loan and target levels for the other feed grains would be set in relation to corn and other factors. As with wheat, the set-aside authority for feed grains would continue, and the disaster program would be limited to certain areas.

The House committee also approved an amendment to establish a cost-of-production

advisory review board to obtain producer contributions in the compilation of annual cost of production figures. The eight-member board, appointed by the Secretary, would represent the major commodities.

- **Cotton.** As with feed grains, both committees developed an upland cotton program similar to that for wheat. The Senate committee included provisions on disaster payments, acreage limitation, allotment and quota suspension, cross compliance, and paid land diversion identical to those for wheat. In addition, it eliminated the normal crop acreage provision. The loan level would be calculated as under current law, except that the staple length of cotton used in the Northern Europe price quotation would change to 1-3/32 inches from 1-1/16. The minimum loan level would rise from 48 to 55 cents a pound.

The minimum target price would be 71 cents a pound for crop year 1982, 76 cents for 1983, 85 cents for 1984, and 93 cents for 1985. The Secretary could raise the target from these levels to reflect changes in production costs. The special import authority was retained, with the provision that any upland cotton imported when the special quota was in effect would be duty-free. The date for announcing the national program acreage would advance from December 15 to November 1.

The House committee also set the minimum loan level at 55 cents a pound, with adjustments continuing to be set according to market price averages. Target prices would be fixed at 20 percent above the loan level. The Secretary could require producers to make specific reductions in cotton acreage as a condition for farm program benefits. The House committee also approved a limited disaster program for 1982 like that for wheat.

- **Rice.** The Senate and House committees continued the rice program's evolution toward those for wheat, feed grains, and upland cotton. The Senate committee repealed the authority for acreage allotments, marketing quotas, and penalties. It approved provisions for disaster payments, acreage limitation, paid land diversion, and cross-compliance identical to those for wheat.

The Senate committee raised the minimum loan level for rice to \$8.00 per cwt., with the actual level determined as in previous years and announced by March 1. The minimum target price would start at \$11.23 per



cwt. for crop year 1982, rising to \$12.14 in 1983, \$12.70 in 1984, and \$13.50 in 1985. Again, the Secretary could raise the target above these levels to reflect changes in production costs. Deficiency payments would be determined as under current law, except 1) all references to allotments were deleted and 2) the payment would be made by multiplying the payment rate by the farm program acreage and the result by the yield established for the farm. The program acreage announcement would have to be made by January 31.

The House committee also repealed acreage allotments and marketing quotas. As with the Senate, the minimum loan level would be \$8.00 per cwt. for crop years 1982 through 1985, but would be adjusted each year to reflect changes in the target price. The target price would be \$11.90 in 1982; thereafter, it would be adjusted annually, as under current law, to reflect changes in production costs during the preceding 3 years, divided by the normal yield. The set-aside and disaster program authorities would be identical to those for cotton.

• **Peanuts.** Both committees continued most of the provisions of the peanut program. The Senate committee lowered the national poundage quota from 1.44 million tons to 1.30 million through 1985. In addition, it allowed for the carryover of more than 1 year's under-marketings (under the farm poundage quota) as long as the producer plants at least 50 percent of the allotment. The minimum loan level for quota peanuts was increased from \$420 to \$631 a ton for crop years 1982 through 1985. The contract deadline for additional peanuts would advance from June 15 to April 15.

The House committee also lowered the minimum marketing quota to 1.30 million tons. The minimum loan level for quota peanuts was increased to \$600 a ton, with future adjustments to be based on changes in farm production costs (excluding land).

• **Soybeans.** The two committees agreed to continue providing only a loan program for soybeans. Both set the minimum loan level at \$5.02 a bushel (in the Senate version, the loan level must be announced by October 1). The loan and purchase level would equal 75 percent of the average Chicago cash price for No. 1 yellow soybeans for the 5 preceding marketing years, excluding the high and the low. The committees made clear there would be no restriction on producer eligibility for the soybean loan program.

The House committee also established a support program for sunflower seed. The support level would be \$9.00 per cwt.

• **Sugar.** The committee provided a non-recourse loan and purchase program for sugarcane and sugar beets at a minimum level of 19.6 cents a pound. The Senate program would begin October 1, 1982, and loans would be made and repaid within the same fiscal year.

• **Wool.** The Senate committee wool provision is very similar to current law. However, the committee lowered the shorn-wool support determination—from 85 percent of the statutory formula to 75 percent—and eliminated the provisions limiting program payments and CCC reimbursement. The House committee bill continues the wool program for 1982 through 1985 with no changes.

• **Producer Storage Program.** The Senate and House committees extended the farmer-owned reserve program. The Senate version makes the entire program discretionary and deletes the call level authority, except under emergency conditions—in which case the Secretary must notify both agriculture committees 14 days prior to such action. The Secretary would have authority to cap the reserve, but at no less than 700 million bushels of wheat and 1 billion bushels of feed grains. The CCC resale price would be 105 percent of the cost of production (including land) when the reserve is in effect. Finally, under the Senate committee bill, the Secretary would have authority to provide storage payments and waive or adjust interest charges.

The House committee also would allow the Secretary to withdraw storage incentives as market prices rise.

• **Miscellaneous Provisions.** The Senate committee deleted provisions for normal crop acreage determination, multiyear set-aside, disaster reserve, and the international emergency reserve. It expanded the emergency feed program to include poultry; continued the permanent farm storage facility loan program on a voluntary rather than mandatory basis; altered the export grain inspection authority so that more States could provide the service; and mandated that a study on farm income insurance protection be completed within 18 months.

The House committee extended the farm storage facility program through fiscal year

1985 and the economic emergency credit program through fiscal 1982.

• **Agricultural Export Programs.** The Senate committee aimed to expand exports, gave the Congress a larger say in export agreements, and protected farmers from agricultural-specific embargoes. It provided authority for a CCC revolving export credit fund to help expand exports. The bill calls for congressional consultation on any future bilateral trade agreements involving agricultural commodities. This title also provides the President authority to use a special standby export subsidy to neutralize foreign export subsidy programs that hinder the sale of U.S. farm products.

Finally, the committee included a provision requiring a concurrent resolution from both chambers of Congress before an agricultural-specific embargo could take effect. If such an embargo occurs, USDA would have authority either to increase loan rates to 100 percent of parity or to make direct payments to producers based on the average market price during the 90 days prior to the embargo. These provisions would only take effect if the nation in question imported more than 3 percent of total U.S. exports of the affected commodity.

The House was also concerned with embargo protection. In the event of an agricultural-specific embargo (for any reason except national security), loan rates under the House bill would be increased to 90 percent of parity for the affected commodities. For national-security embargoes that are agricultural-specific, loan rates would equal the average market price of the 15 days prior to the embargo. An agricultural-specific embargo is defined as one not applying to all trade with any country to which at least 50 percent of U.S. exports are of nonfarm commodities. This would not apply if the embargo reduced U.S. exports of the affected commodity by less than 2 percent.

• **P.L. 480.** The Senate committee bill would extend P.L. 480 with the following changes: 1) raise the value of foreign currencies available for relief purposes from \$5 million to \$10 million; 2) make distilled spirits eligible for the same type of market development program as beer and wine; and 3) increase the spending ceiling for Title II from \$750 million to \$1 billion and eliminate the ceiling for Title I.

The House committee also extended P.L. 480 provisions through 1985. (Richard Rizzi and Jim Johnson (202) 447-6620)



# Statistical Indicators

## Summary Data

### Key Statistical Indicators of the Food and Fiber Sector

	1980				1981				
	II	III	IV p	Annual p	I f	II f	III f	IV f	Annual f
Prices received by farmers (1967=100) . . . . .	229	255	262	246	263	265	272	270	268
Livestock and products . . . . .	234	259	260	251	251	256	275	277	265
Crops . . . . .	223	251	265	240	278	275	269	264	272
Prices paid by farmers, (1967=100)									
prod. items . . . . .	271	280	288	277	294	307	313	317	308
Prod. items, int., taxes, and wages . . . . .	288	295	302	293	313	323	329	332	324
Farm income <sup>1</sup>									
Cash receipts (\$ bil.) . . . . .	136	143	146	140	142	146-150	153-157	148-153	146-150
Livestock (\$ bil.) . . . . .	66	71	72	69	70	70-72	75-78	74-78	71-75
Crops (\$ bil.) . . . . .	70	72	73	71	72	75-77	77-80	72-76	73-77
Total gross farm income (\$ bil.) <sup>2</sup> . . . . .	149	155	159	154	157	164-167	174-178	172-177	166-170
Production expenses (\$ bil.) . . . . .	130	134	137	132	139	140-144	145-149	147-151	143-147
Net farm income (\$ bil.) . . . . .	19	21	22	22	18	22-24	28-31	24-28	22-27
Net cash income (\$ bil.) <sup>3</sup> . . . . .	30	35	35	33	29	32-34	35-38	28-32	30-35
Market basket (1967=100)									
Retail cost . . . . .	233.7	242.7	249.2	238.8	253.9	259	267	271	260-267
Farm value . . . . .	226.5	253.8	255.2	240.3	249.2	251	263	265	253-264
Spread . . . . .	237.9	236.2	245.6	238.0	256.7	264	269	274	264-269
Farm value/retail cost (%) . . . . .	36	39	38	37	36	36	37	36	36-37
Retail prices (1967=100)									
Food . . . . .	250.5	258.2	264.4	254.6	270.5	276	284	289	277-283
At home . . . . .	246.6	255.6	262.0	251.5	267.2	273	280	285	274-280
Away-from home . . . . .	264.7	269.6	275.4	267.0	283.9	291	297	303	291-296
Agricultural exports (\$ bil.) <sup>4</sup> . . . . .	9.7	9.5	11.7	40.5	12.6	11.1	10.6	13.0	46.0
Agricultural imports (\$ bil.) <sup>4</sup> . . . . .	4.3	4.0	4.5	17.3	4.7	4.4	4.4	4.6	18.0
Livestock and products									
Total livestock and products (1974=100) . . . . .	112.0	108.7	110.9	109.6	109.8	112.7	109.8	109.8	110.5
Beef (mil. lb.) . . . . .	5,251	5,384	5,586	21,470	5,553	5,275	5,425	5,650	21,903
Pork (mil. lb.) . . . . .	4,299	3,756	4,251	18,431	4,073	3,925	3,500	3,775	15,273
Veal (mil. lb.) . . . . .	89	95	104	379	100	95	95	105	395
Lamb and mutton (mil. lb.) . . . . .	77	72	81	310	85	85	75	75	320
Red meats (mil. lb.) . . . . .	9,716	9,307	10,022	38,590	9,811	9,380	9,095	9,605	37,891
Broilers (mil. lb.) . . . . .	2,923	2,759	2,685	11,089	2,814	3,025	3,030	2,830	11,699
Turkeys (mil. lb.) . . . . .	523	705	701	2,303	393	555	710	710	2,368
Total meats and poultry (mil. lb.) . . . . .	13,162	12,771	13,408	51,982	13,018	12,960	12,835	13,145	51,958
Eggs (mil. dz.) . . . . .	1,425	1,432	1,483	5,806	1,449	1,425	1,430	1,480	5,784
Milk (bil. lb.) . . . . .	34.0	32.2	31.0	128.4	32.3	35.4	32.8	31.0	131.5
Choice steers, Omaha (\$/cwt.) . . . . .	64.65	71.15	65.51	67.05	61.99	66-68	68-72	66-70	65-68
Barrows and gilts, 7 markets (\$/cwt.) . . . . .	31.18	46.23	46.44	40.04	41.13	42-44	50-53	49-52	45-48
Broilers, 9-city wholesale (cts./lb.) . . . . .	41.1	53.3	49.9	46.8	49.3	45-47	51-54	50-53	49-51
Turkeys, N.Y., wholesale (cts./lb.) . . . . .	54.3	68.3	73.0	63.6	61.3	61-63	66-69	73-76	65-67
Eggs, Gr. A large, N.Y. (cts./dz.) . . . . .	57.0	70.3	76.9	66.6	72.6	69-71	74-77	76-79	73-75
Milk, all at farm (\$/cwt.) . . . . .	12.60	12.87	13.93	13.00	13.97	13.50-13.75	13.65-13.90	14.50-15.50	13.90-14.30

<sup>1</sup> Quarterly cash receipts and expenses are seasonally adjusted at annual rates. <sup>2</sup> Includes net change in farm inventories. <sup>3</sup> Excludes inventory adjustment and non-cash income and expenses. Represents cash available for capital expenditures and operator income. <sup>4</sup> Annual data are based on Oct.-Sept. fiscal years ending with the indicated year. f = forecast. p = Preliminary.



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# Farm Prices: Received and Paid

Indexes of prices received and paid by farmers, U.S. average

	Annual			1980		1981				
	1978	1979	1980 p	May	Dec	Jan	Feb	Mar	Apr	May p
1967=100										
<b>Prices Received</b>										
All farm products . . . . .	210	241	246	228	265	264	263	262	261	260
All crops . . . . .	203	223	241	224	272	276	276	281	275	275
Food grains . . . . .	191	229	257	247	283	282	280	276	276	269
Feed grains and hay . . . . .	184	207	240	219	281	282	283	282	283	283
Feed grains . . . . .	181	204	235	209	277	278	279	280	280	277
Cotton . . . . .	245	258	317	297	359	342	317	321	325	321
Tobacco . . . . .	191	207	221	218	240	234	234	234	234	235
Off-bearing crops . . . . .	226	249	247	213	294	304	294	296	297	287
Fruit . . . . .	224	235	207	208	193	190	183	202	196	225
Fresh market <sup>1</sup> . . . . .	234	246	212	216	191	188	179	203	196	231
Commercial vegetables . . . . .	185	194	198	205	226	246	281	294	234	236
Fresh market . . . . .	208	215	217	231	254	280	328	348	266	269
Potatoes <sup>2</sup> . . . . .	202	178	249	205	309	357	378	402	416	401
Livestock and products . . . . .	217	257	251	232	259	253	252	246	250	248
Meat animals . . . . .	226	280	262	242	259	253	252	245	254	253
Dairy products . . . . .	210	239	259	250	280	280	278	274	270	268
Poultry and eggs . . . . .	185	192	193	161	227	213	210	206	202	194
<b>Prices paid</b>										
Commodities and services . . . . .										
Interest, taxes, and wage rates . . . . .	219	250	281	276	292	299	300	302	304	304
Production items . . . . .	217	249	277	269	290	293	294	296	299	299
Feed . . . . .	183	204	230	214	266	265	264	269	261	263
Feeder livestock . . . . .	221	293	281	260	282	274	270	267	272	262
Seed . . . . .	273	286	309	312	316	316	316	316	375	375
Fertilizer . . . . .	180	196	243	248	247	247	247	262	262	266
Agricultural chemicals . . . . .	147	150	176	162	162	162	162	171	171	176
Fuels & energy . . . . .	212	276	380	385	390	405	427	436	437	435
Farm & motor supplies . . . . .	171	189	221	220	231	234	236	236	238	240
Autos & trucks . . . . .	248	273	289	285	312	311	315	319	321	335
Tractors & self-propelled machinery . . . . .	259	289	323	317	337	337	337	348	348	348
Other machinery . . . . .	266	293	326	319	338	338	338	351	351	351
Building & fencing . . . . .	248	272	293	290	301	301	304	304	305	305
Farm services & cash rent . . . . .	248	265	300	300	300	331	331	331	331	331
Interest payable per acre on farm real estate debt . . . . .	400	501	640	640	640	699	699	699	699	699
Taxes on farm real estate . . . . .	210	226	216	216	216	226	226	226	226	226
Wage rates (seasonally adjusted) . . . . .	242	265	286	284	289	318	318	316	306	306
Production items, interest, taxes, and wage rates . . . . .	227	261	293	286	303	312	312	314	316	315
Prices received (1910-14=100) . . . . .	524	602	615	570	662	659	657	655	653	650
Prices paid, etc. (Parity index) (1910-14=100) . . . . .	746	849	956	938	994	1,016	1,020	1,026	1,033	1,035
Parity ratio <sup>3</sup> . . . . .	70	71	64	61	67	65	65	64	63	63

<sup>1</sup> Fresh market for noncitrus and fresh market and processing for citrus. <sup>2</sup> Includes sweetpotatoes and dry edible beans. <sup>3</sup> Ratio of index of prices received to index of prices paid, taxes, and wage rates. P Preliminary.



## Prices received by farmers, U.S. average

	Annual*			1980		1981				
	1978	1979	1980 p	May	Dec	Jan	Feb	Mar	Apr	May p
<b>Crops</b>										
All wheat (\$/bu.)	2.82	3.51	3.88	3.69	4.22	4.21	4.17	4.09	4.07	3.96
Rice, rough (\$/cwt.)	9.29	9.05	11.07	11.30	13.10	13.20	13.00	13.40	13.80	13.30
Corn (\$/bu.)	2.10	2.36	2.70	2.42	3.19	3.19	3.22	3.25	3.24	3.20
Sorghum (\$/cwt.)	3.43	3.91	4.68	4.04	5.49	5.48	5.33	5.17	5.25	5.21
All hay, baled (\$/ton)	49.90	56.20	66.80	69.10	74.20	73.80	74.00	71.60	72.70	77.60
Soybeans (\$/bu.)	6.28	6.86	6.75	5.76	7.80	7.80	7.50	7.59	7.60	7.29
Cotton, Upland (cts./lb.)	55.2	58.0	71.3	66.8	80.9	76.9	71.4	72.3	73.2	72.1
Potatoes (\$/cwt.)	3.87	3.16	4.78	3.74	6.19	7.39	7.88	8.33	8.53	7.91
Dry edible beans (\$/cwt.)	18.60	19.60	24.80	22.90	26.40	27.50	28.30	30.00	31.30	33.30
Apples for fresh use (cts./lb.)	16.1	14.3	17.0	17.9	11.9	11.0	12.8	12.6	11.7	10.5
Pears for fresh use (\$/ton)	267	276	325	449	255	240	255	290	327	370
Oranges, all uses (\$/box) <sup>1</sup>	4.70	3.34	3.26	3.41	3.12	2.87	2.46	3.59	3.28	4.94
Grapefruit, all uses (\$/box) <sup>1</sup>	2.35	2.97	2.73	3.19	3.08	2.91	3.30	3.42	3.97	4.07
<b>Livestock</b>										
Beef cattle (\$/cwt.)	48.50	66.00	62.40	60.70	59.40	59.30	58.70	57.60	60.30	59.60
Calves (\$/cwt.)	58.40	88.80	76.80	75.40	70.30	69.20	70.50	69.80	70.70	69.00
Hogs (\$/cwt.)	47.10	41.80	38.00	28.60	43.90	40.80	41.30	38.80	39.00	40.40
Lambs (\$/cwt.)	62.80	66.70	63.60	60.30	58.40	53.70	54.80	56.60	58.00	60.70
All milk, sold to plants (\$/cwt.)	10.60	12.00	13.00	12.60	14.10	14.10	14.00	13.80	13.60	13.50
Milk, manuf. grade (\$/cwt.)	9.65	11.10	12.06	11.70	13.00	13.00	12.90	12.90	12.70	12.60
Broilers (cts./lb.)	26.3	25.9	27.7	24.1	29.7	30.2	30.4	29.7	26.8	28.2
Eggs (cts./doz.) <sup>2</sup>	52.8	58.3	56.3	47.3	72.6	64.8	62.6	60.8	64.4	56.3
Turkeys (cts./lb.)	42.0	41.1	41.3	31.9	46.1	39.8	38.9	40.3	38.4	39.0
Wool (cts./lb.) <sup>3</sup>	74.5	86.3	89.5	86.6	86.6	90.6	92.8	93.1	99.7	103.0

<sup>1</sup> Equivalent on-tree returns. <sup>2</sup> Average of all eggs sold by farmers including hatching eggs and eggs sold at retail. <sup>3</sup> Average local market price, excluding incentive payments. \*Calendar year averages. p Preliminary.

## Producer and Retail Prices

### Consumer Price Index for all urban consumers, U.S. average (not seasonally adjusted)

	Annual		1980				1981			
	1980	Apr	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr
1967=100										
Consumer price index, all items	246.8	242.5	251.7	253.9	256.2	258.4	260.5	263.2	265.1	266.8
Consumer price index, less food	244.0	239.9	248.6	250.9	253.2	255.6	257.6	260.4	262.3	264.2
All food	254.6	249.1	261.1	262.4	264.5	266.4	268.6	270.8	272.2	272.9
Food away from home	267.0	263.0	271.4	273.1	275.3	277.7	280.9	284.7	286.1	288.2
Food at home	251.5	245.3	258.9	260.0	262.1	263.9	265.6	267.3	268.6	268.7
Meats <sup>1</sup>	248.8	242.6	257.8	258.7	261.1	260.0	259.7	256.4	254.4	251.0
Beef and veal	270.3	267.0	277.5	275.8	277.9	275.3	275.3	272.3	270.3	267.4
Pork	209.1	197.1	222.7	225.8	228.6	229.1	228.2	223.6	221.6	217.4
Poultry	190.8	177.2	205.2	209.1	204.1	202.7	202.4	203.7	201.6	196.8
Fish	330.2	325.3	335.8	336.6	343.0	346.9	358.0	355.0	358.8	359.7
Eggs	169.7	161.2	179.9	175.3	185.2	206.6	190.2	188.2	180.5	184.3
Dairy products <sup>2</sup>	227.4	222.4	230.6	232.7	235.4	238.0	240.1	242.1	242.6	243.5
Fats and oils <sup>3</sup>	241.2	238.3	243.6	246.0	247.4	251.9	260.4	267.3	268.9	270.1
Fruits and vegetables	246.7	240.9	257.4	254.2	253.3	255.6	257.6	267.3	278.2	281.9
Fresh	252.6	245.2	269.6	262.3	258.3	262.0	263.9	278.1	293.9	296.4
Processed	242.5	238.4	246.3	247.5	250.1	250.9	253.0	257.8	263.3	268.5
Cereals and bakery products	246.4	242.0	250.3	253.7	255.8	258.5	262.9	266.3	266.7	268.3
Sugar and sweets	341.3	319.5	361.1	369.0	381.3	386.3	385.4	385.4	383.2	375.8
Beverages, nonalcoholic	395.8	390.3	403.9	404.9	405.5	405.2	409.7	411.9	412.2	414.4
Apparel commodities less footwear	167.8	167.2	171.8	173.1	172.5	172.5	168.9	169.6	172.7	174.0
Footwear	190.3	188.3	193.2	196.1	196.5	196.6	194.9	194.9	197.4	199.3
Tobacco products	202.6	198.8	204.5	204.5	207.3	210.8	211.9	212.3	212.5	213.3
Beverages, alcoholic	186.3	183.9	189.6	190.4	190.9	191.6	193.7	195.9	197.1	197.8

<sup>1</sup> Beef, veal, lamb, pork, and processed meat. <sup>2</sup> Includes butter. <sup>3</sup> Excludes butter.

Producer Price Indexes, U.S. average (not seasonally adjusted)

	Annual			1980			1981			
	1978	1979	1980 p	Apr	Nov	Dec	Jan	Feb	Mar	Apr
	1967=100									
Finished goods <sup>1</sup> . . . . .	194.6	216.1	246.8	242.1	256.2	257.2	259.8	262.4	265.3	267.7
Consumer foods . . . . .	206.8	226.3	239.4	230.1	248.9	249.3	250.6	250.9	251.8	251.5
Fresh fruit . . . . .	213.5	232.6	237.4	229.7	219.0	220.5	203.3	211.6	217.0	221.3
Fresh and dried vegetables . . . . .	200.1	201.0	219.0	197.8	248.5	244.2	282.5	298.6	332.3	317.0
Eggs . . . . .	158.6	176.5	171.0	153.3	194.0	217.5	185.7	184.8	180.4	196.2
Bakery Products . . . . .	201.3	221.7	247.7	245.0	255.2	258.9	261.3	262.7	262.9	264.1
Meats . . . . .	209.6	240.6	235.8	217.0	244.8	242.3	241.3	234.5	231.6	234.5
Beef and veal . . . . .	202.2	252.2	260.2	250.7	254.6	252.0	254.7	246.1	243.8	244.6
Pork . . . . .	219.1	205.0	196.7	162.2	222.6	218.7	214.8	208.7	204.0	200.3
Poultry . . . . .	194.0	188.6	193.3	165.7	207.7	203.3	203.2	209.6	205.3	188.1
Fish . . . . .	313.0	383.8	371.0	385.8	357.8	355.4	373.0	371.5	382.0	387.1
Dairy Products . . . . .	188.4	211.2	230.7	227.5	240.6	242.7	245.2	245.5	245.5	245.8
Processed fruits and vegetables . . . . .	202.6	221.9	228.9	224.6	235.2	237.1	237.4	244.1	251.8	258.7
Refined sugar <sup>2</sup> . . . . .	108.3	116.3	214.4	166.1	282.3	230.2	230.2	214.0	181.2	166.6
Vegetable oil and Products . . . . .	209.4	223.5	233.2	229.5	237.5	236.9	236.0	240.7	240.7	241.6
Consumer finished goods less foods . . . . .	183.7	208.2	247.9	247.7	256.1	257.6	260.9	267.3	271.7	275.1
Beverages, alcoholic . . . . .	148.2	161.4	175.6	172.3	180.9	181.2	181.7	185.2	186.4	188.1
Soft drinks . . . . .	211.6	227.1	259.1	249.0	275.9	275.9	289.5	290.8	290.8	290.8
Apparel . . . . .	152.4	160.4	172.2	170.0	176.0	177.0	178.6	179.3	180.1	182.1
Footwear . . . . .	183.0	218.0	233.2	231.9	237.7	237.1	238.6	240.8	240.5	241.1
Tobacco Products . . . . .	198.5	217.7	245.5	238.1	253.9	254.2	254.3	255.3	255.4	268.4
Intermediate materials <sup>4</sup> . . . . .	215.5	242.8	280.2	275.7	289.1	291.9	295.5	297.8	301.4	305.4
Materials for food manufacturing . . . . .	202.3	223.6	263.7	264.0	299.0	279.6	277.9	273.8	267.9	264.0
Flour . . . . .	141.6	172.0	187.6	175.0	198.6	194.5	197.9	196.1	193.2	195.3
Refined sugar <sup>5</sup> . . . . .	109.3	119.3	210.5	170.1	287.2	221.1	225.4	219.4	200.4	188.1
Crude vegetable oils . . . . .	219.2	243.7	202.6	180.7	216.4	204.6	199.8	187.5	191.2	187.5
Crude materials <sup>6</sup> . . . . .	240.1	282.2	304.2	286.2	324.6	323.5	321.3	335.5	333.0	335.2
Foodstuffs and feedstuffs . . . . .	215.3	247.2	259.1	235.8	277.3	271.6	270.6	267.1	262.0	263.4
Fruits and vegetables <sup>7</sup> . . . . .	216.5	229.0	238.5	223.2	246.4	244.7	257.7	270.4	291.6	285.2
Grains . . . . .	182.5	214.8	239.0	210.8	270.9	265.2	277.7	267.4	261.8	264.7
Livestock . . . . .	220.1	260.3	252.7	230.5	254.8	251.4	244.3	244.6	239.3	246.6
Poultry, live . . . . .	199.8	194.3	202.1	171.9	221.0	218.9	213.1	220.8	213.5	195.4
Fibers, plant and animal . . . . .	193.4	209.9	271.1	266.9	287.2	294.1	284.1	268.4	270.1	274.2
Milk . . . . .	219.7	250.1	271.2	265.4	284.7	289.5	288.4	289.5	289.5	287.2
Oilseeds . . . . .	224.1	245.5	249.2	208.9	295.8	310.4	315.7	296.4	294.2	302.4
Coffee, green . . . . .	378.2	416.2	430.3	448.9	404.4	399.3	409.1	403.0	402.5	401.1
Tobacco, leaf . . . . .	191.5	207.7	n.a.	218.0	225.6	240.6	234.3	234.3	n.a.	235.0
Sugar, raw cane . . . . .	190.2	209.8	413.0	319.3	562.3	401.8	416.8	366.1	318.0	274.9
All commodities . . . . .	209.3	235.6	268.6	262.8	279.1	280.8	283.5	286.9	289.6	292.8
Industrial commodities . . . . .	209.4	236.5	274.5	271.3	283.4	286.6	289.9	294.8	298.9	302.8
All foods <sup>7</sup> . . . . .	206.5	266.3	244.5	231.9	259.3	253.9	255.1	253.9	253.2	251.6
Farm products and processed foods and feeds . . . . .	206.6	229.8	244.6	229.3	260.5	257.0	267.3	254.9	253.1	253.6
Farm products . . . . .	212.5	241.4	249.3	228.9	254.9	265.3	264.4	262.3	260.6	263.2
Processed foods and feeds . . . . .	202.6	222.5	241.0	228.6	257.2	251.5	252.4	250.0	248.1	247.4
Cereal and bakery Products . . . . .	190.3	210.3	235.9	232.4	245.3	248.7	250.8	251.7	251.9	253.5
Sugar and confectionery . . . . .	197.8	214.7	321.2	275.0	409.0	339.8	338.6	324.7	302.6	286.0
Beverages . . . . .	200.0	210.7	232.4	227.9	240.6	240.5	240.4	242.2	242.8	243.4
Wholesale spot prices, 9 foodstuffs . . . . .	239.1	255.6	264.3	235.0	289.4	272.6	267.7	258.5	255.0	253.0

<sup>1</sup> Commodities ready for sale to ultimate consumer. <sup>2</sup> Fresh and dried. <sup>3</sup> Consumer size packages, Dec. 1977=100. <sup>4</sup> Commodities requiring further processing to become finished goods. <sup>5</sup> For use in food manufacturing. <sup>6</sup> Products entering market for the first time which have not been manufactured at that point. <sup>7</sup> Includes all processed food (except soft drinks, alcoholic beverages, and manufactured animal feeds) plus eggs and fresh and dried fruits and vegetables. n.a. = not available.



# Farm-Retail Price Spreads

## Market basket of farm foods

	Annual			1980 p			1981			
	1978	1979	1980p	Apr	Nov	Dec	Jan	Feb	Mar	Apr
<b>Market basket<sup>1</sup>:</b>										
Retail cost (1967=100) . . . . .	199.4	222.7	238.8	232.7	249.2	251.1	252.4	254.0	255.4	255.3
Farm value (1967=100) . . . . .	205.6	228.1	240.3	222.5	256.8	252.2	250.5	248.8	248.4	242.1
Farm-retail spread (1967=100) . . . . .	195.7	219.6	238.0	238.8	244.7	250.4	253.5	257.0	259.5	263.0
Farm value/retail cost (%) . . . . .	38.2	37.9	37.2	35.4	38.2	37.2	36.7	36.2	36.0	35.1
<b>Meat Products:</b>										
Retail cost (1967=100) . . . . .	206.8	241.9	248.8	242.6	261.1	260.0	259.7	256.4	254.4	251.0
Farm value (1967=100) . . . . .	206.4	234.6	234.0	216.3	245.7	237.6	233.4	226.5	225.5	219.4
Farm-retail spread (1967=100) . . . . .	207.3	250.4	266.1	273.5	279.1	286.2	290.5	291.4	288.3	288.0
Farm value/retail cost (%) . . . . .	53.8	52.3	50.7	48.1	50.8	49.3	48.5	47.6	47.8	47.2
<b>Dairy products:</b>										
Retail cost (1967=100) . . . . .	185.5	207.0	227.4	222.4	235.4	238.0	240.1	242.1	242.6	243.5
Farm value (1967=100) . . . . .	204.7	234.0	254.9	247.5	266.8	269.1	272.0	271.8	271.6	272.8
Farm-retail spread (1967=100) . . . . .	168.8	183.6	203.5	200.5	208.0	210.9	212.3	215.4	217.3	218.0
Farm value/retail cost (%) . . . . .	51.4	52.6	52.2	51.8	62.8	52.6	52.7	52.4	52.1	52.2
<b>Poultry:</b>										
Retail cost (1967=100) . . . . .	172.9	181.5	190.8	177.2	204.1	202.7	202.4	203.7	201.6	196.8
Farm value (1967=100) . . . . .	202.1	199.4	211.7	172.9	233.6	228.1	228.1	229.1	225.0	204.1
Farm-retail spread (1967=100) . . . . .	144.7	164.2	170.5	181.4	175.5	178.1	177.5	179.1	178.9	189.7
Farm value/retail cost (%) . . . . .	57.5	54.0	54.6	48.0	56.3	55.4	55.4	55.3	54.9	51.0
<b>Eggs:</b>										
Retail cost (1967=100) . . . . .	157.8	172.8	169.7	161.2	185.2	206.6	190.2	188.2	180.5	184.3
Farm value (1967=100) . . . . .	178.9	199.2	190.9	179.7	221.7	249.7	208.8	212.7	203.8	216.4
Farm-retail spread (1967=100) . . . . .	127.3	134.6	139.2	134.4	132.5	144.3	163.3	152.8	146.7	137.8
Farm value/retail cost (%) . . . . .	67.0	68.1	66.5	65.9	70.7	71.4	64.9	66.8	66.8	69.4
<b>Cereal and bakery products:</b>										
Retail cost (1967=100) . . . . .	199.9	220.2	246.4	242.0	265.8	258.5	262.9	265.3	266.7	268.3
Farm value (1967=100) . . . . .	163.9	189.9	221.1	199.4	244.3	237.8	238.4	236.9	234.5	225.0
Farm-retail spread (1967=100) . . . . .	207.3	226.3	251.7	250.8	258.2	262.8	268.0	271.2	273.4	277.3
Farm value/retail cost (%) . . . . .	14.1	14.8	15.4	14.1	16.4	15.8	15.6	15.3	15.1	14.4
<b>Fresh fruits:</b>										
Retail cost (1967=100) . . . . .	230.1	258.5	271.8	263.2	266.1	257.0	250.4	260.6	269.4	276.3
Farm value (1967=100) . . . . .	237.9	237.5	242.7	233.2	222.8	198.8	179.8	205.5	197.8	200.2
Farm-retail spread (1967=100) . . . . .	226.6	267.9	284.8	276.7	285.6	283.1	282.1	285.4	301.6	310.5
Farm value/retail cost (%) . . . . .	32.0	28.5	27.7	27.4	25.9	24.0	22.2	24.4	22.7	22.4
<b>Fresh vegetables:</b>										
Retail cost (1967=100) . . . . .	216.2	222.5	242.2	234.2	258.0	271.5	281.1	298.0	320.8	319.6
Farm value (1967=100) . . . . .	215.7	204.3	215.8	207.8	257.4	269.3	284.0	324.0	357.2	325.8
Farm-retail spread (1967=100) . . . . .	216.5	231.1	254.7	246.6	258.3	272.5	279.7	285.8	303.7	316.7
Farm value/retail cost (%) . . . . .	31.9	29.4	28.5	28.4	31.9	31.7	32.3	34.8	35.6	32.6
<b>Processed fruits and vegetables:</b>										
Retail cost (1967=100) . . . . .	208.7	226.6	242.5	238.4	250.1	250.9	253.0	257.8	263.3	268.5
Farm value (1967=100) . . . . .	221.9	235.3	242.6	233.4	248.0	251.0	263.8	264.4	272.4	284.5
Farm-retail spread (1967=100) . . . . .	205.8	224.7	242.4	239.5	250.6	250.9	250.6	256.4	261.3	265.0
Farm value/retail cost (%) . . . . .	19.3	18.8	18.1	17.6	18.0	18.1	18.9	18.6	18.8	19.2
<b>Fats and oils:</b>										
Retail cost (1967=100) . . . . .	209.6	226.3	241.2	238.3	247.4	251.9	260.4	267.3	268.9	270.1
Farm value (1967=100) . . . . .	257.4	278.0	249.9	224.6	272.4	275.0	293.3	288.1	299.2	291.8
Farm-retail spread (1967=100) . . . . .	191.1	206.4	237.8	243.6	237.0	243.0	247.7	259.3	257.3	261.7
Farm value/retail cost (%) . . . . .	34.1	34.1	28.8	26.2	30.8	30.3	31.3	29.9	30.9	30.0

<sup>1</sup> Retail costs are based on indexes of retail prices for domestically produced farm foods from the CPI-U published monthly by the Bureau of Labor Statistics. The farm value is the payment to farmers for quantity of farm product equivalent to retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale and may include marketing charges such as grading and packing for some commodities. The farm-retail spread, the difference between the retail price and the farm value, represents charges for assembling, processing, transporting, and distributing these foods.

## Farm-retail price spreads

	Annual			1980			1981			
	1978	1979	1980	Apr	Nov	Dec	Jan	Feb	Mar	Apr
<b>Beef, Choice<sup>1</sup></b>										
Retail price <sup>1</sup> (cts./lb.)	181.9	226.3	237.6	233.3	242.3	242.9	239.5	237.5	235.6	230.9
Net carcass value <sup>2</sup> (cts.)	119.3	150.5	155.4	148.2	151.5	150.3	150.5	144.6	141.2	146.7
Net farm value <sup>3</sup> (cts.)	111.1	140.8	145.0	138.2	139.1	139.9	138.0	133.9	130.6	137.9
Farm-retail spread (cts.)	70.8	85.5	92.6	95.1	103.2	103.0	101.5	103.6	105.0	93.0
Carcass-retail spread <sup>4</sup> (cts.)	62.6	75.8	82.2	85.1	90.8	92.6	89.0	92.9	94.4	84.2
Farm-carcass spread <sup>5</sup> (cts.)	8.2	9.7	10.4	10.0	12.4	10.4	12.5	10.7	10.5	8.8
Farm value/retail price (%)	61	62	61	59	57	58	58	56	55	60
<b>Pork:<sup>1</sup></b>										
Retail price <sup>1</sup> (cts./lb.)	143.6	144.1	139.4	127.8	156.3	153.8	151.5	148.4	146.2	142.7
Wholesale value <sup>2</sup> (cts.)	107.7	100.4	98.0	79.7	111.7	108.6	104.1	104.6	101.6	101.2
Net farm value <sup>3</sup> (cts.)	76.6	66.6	63.2	45.6	72.9	70.9	65.6	67.3	62.6	52.8
Farm-retail spread (cts.)	67.0	77.5	76.2	82.2	83.4	82.9	85.9	81.1	83.6	79.9
Wholesale-retail spread <sup>4</sup> (cts.)	35.9	43.7	41.4	48.1	44.6	45.2	47.4	43.8	44.6	41.5
Farm-wholesale spread <sup>5</sup> (cts.)	31.8	33.8	34.8	34.1	38.8	37.7	38.5	37.3	39.0	38.4
Farm value/retail price (%)	53	46	45	36	47	46	43	45	43	44

<sup>1</sup> Estimated weighted average price of retail cuts from pork and yield grade 3 beef carcasses. Retail prices from USDA's meat price survey. <sup>2</sup> Value of carcass quantity equivalent to 1 lb. of retail cuts-beef adjusted for value of fat and bone byproducts. <sup>3</sup> Market value to producer for quantity of live animal equivalent to 1 lb. retail cuts minus value of byproducts. <sup>4</sup> Represents charges for retailing and other marketing services such as fabricating, wholesaling, and in-city transportation. <sup>5</sup> Represents charges made for livestock marketing, processing and transportation to city where consumed. p Preliminary.

## Transportation Data

### Rail rates, grain and fruit and vegetable shipments

	Annual			1980			1981			
	1978	1979	1980	Apr	Nov	Dec	Jan	Feb	Mar	Apr
<b>Rail freight rate index<sup>1</sup></b>										
All products (1969=100)	213.0	243.4	285.4	279.7	299.6	300.3	313.9	317.7	321.4	321.0
Farm products (1969=100)	204.9	235.0	271.8	267.8	283.5	285.3	294.4	300.7	305.2	304.6
Grain (Dec. 1978=100)	n.a.	106.9	127.5	126.2	133.5	134.4	139.8	142.9	144.5	144.0
Food products (1969=100)	210.0	239.5	283.7	276.0	300.9	301.2	315.7	319.7	323.3	323.1
Rail carloadings of grain (thou. cars) <sup>2</sup>	25.8	27.5	30.1	27.2	31.4	28.1	34.4	31.1	36.3	23.5
Barge shipments of grain (mil. bu.) <sup>3</sup>	31.3	31.2	36.7	32.7	35.1	32.0	35.3	23.5	30.2	36.3
<b>Fresh fruit and vegetable shipments</b>										
Rail (thou. cwt.) <sup>4,5</sup>	915	806	1,218	597	1,191	1,201	833	811	80.0	712
Truck (thou. cwt.) <sup>4,5</sup>	7,322	7,558	7,594	8,073	7,492	7,328	7,518	6,802	761.9	3,907

<sup>1</sup> Department of Labor, Bureau of Labor Statistics. <sup>2</sup> Weekly average; from Association of American Railroads. <sup>3</sup> Weekly average; from Agricultural Marketing Service, USDA. <sup>4</sup> Preliminary data for 1980. <sup>5</sup> Typical truck loads are about 40,000 pounds and average railcar loads in 1975 were about 60,000 pounds.



# Livestock and Products

## Dairy:

	Annual			1980			1981			
	1978	1979	1980	Apr. <sup>2</sup>	Nov	Dec	Jan <sup>2</sup>	Feb	Mar	Apr
Milk production:										
Total milk (mil. lb.)	121,461	123,411	128,425	11,013	10,076	10,491	10,739	10,093	11,426	11,544
Milk per cow (lb.)	11,243	11,488	11,875	1,022	927	965	988	928	1,052	1,063
Number of milk cows (thou.)	10,803	10,743	10,815	10,772	10,868	10,872	10,874	10,874	10,862	10,865
Milk prices, Minnesota-Wisconsin,										
3.5% fat (\$/cwt.) <sup>1</sup>	9.57	10.91	11.88	11.68	12.52	12.61	12.64	12.66	12.67	12.64
Price of 16% dairy ration (\$/ton)	138	156	177	164	200	203	203	201	196	197
Milk-feed price ratio (lb.) <sup>3</sup>	1.53	1.54	1.47	1.55	1.40	1.38	1.39	1.40	1.42	1.39
Stocks, beginning										
Total milk equiv. (mil. lb.) <sup>3</sup>	8,626	8,730	8,599	9,276	12,837	12,393	12,958	13,806	14,688	15,506
Commercial (mil. lb.)	4,916	4,475	5,419	5,600	6,073	5,676	5,752	6,016	6,181	6,016
Government (mil. lb.)	3,710	4,254	3,180	3,676	6,764	6,717	7,207	7,790	8,506	9,490
Imports, total equiv. (mil. lb.) <sup>3</sup>	2,310	2,305	2,107	103	262	368	129	125	149	n.a.
USDA net removals:										
Total milk equiv. (mil. lb.) <sup>3</sup>	2,743	2,119	8,800	1,306.0	435.8	580.9	1,384.7	1,451.0	1,449.5	1,659.6
Butter:										
Production (mil. lb.)	994.3	984.6	1,145.3	112.3	84.7	103.6	121.3	110.1	116.7	116.9
Stocks, beginning (mil. lb.)	184.9	206.9	177.8	217.2	301.6	302.7	304.6	332.1	372.3	407.4
Wholesale price, Grade A Chi. (cts./lb.)	109.8	122.4	139.4	134.3	147.6	147.7	147.2	147.2	147.2	147.2
USDA net removals (mil. lb.)	112.0	81.6	257.0	61.8	15.0	17.8	51.5	49.3	42.5	46.7
Commercial disappearance (mil. lb.)	903.5	895.0	878.8	47.7	78.1	93.5	66.3	49.5	74.2	n.a.
American cheese:										
Production (mil. lb.)	2,074.2	2,189.9	2,374.6	207.5	176.7	204.8	212.2	198.1	224.5	237.5
Stocks, beginning (mil. lb.)	422.1	378.8	406.6	390.2	573.2	530.7	591.5	622.6	636.6	644.9
Wholesale price, Wis. assembly pt. (cts./lb.)	107.1	123.8	133.0	131.4	140.5	140.1	139.3	139.2	138.8	139.2
USDA net removals (mil. lb.)	39.7	40.2	349.7	23.7	12.4	21.1	31.9	43.5	57.5	70.1
Commercial disappearance (mil. lb.)	2,064.7	2,113.1	2,023.9	175.6	184.6	157.3	162.8	153.9	185.7	n.a.
Other Cheese:										
Production (mil. lb.)	1,445.5	1,527.3	1,608.5	129.2	140.5	149.7	130.6	118.4	140.9	133.7
Stocks, beginning (mil. lb.)	64.0	78.4	105.6	107.4	106.5	103.1	99.3	97.0	87.7	89.7
Commercial disappearance (mil. lb.)	1,655.5	1,730.4	1,827.9	141.8	172.5	193.0	141.7	138.5	153.5	n.a.
Nonfat dry milk:										
Production (mil. lb.)	920.4	908.7	1,160.7	115.1	69.1	89.6	92.0	95.3	110.0	122.9
Stocks, beginning (mil. lb.)	677.9	585.1	485.2	445.3	575.5	570.4	586.8	579.0	599.4	633.0
Wholesale price, avg. manf. (cts./lb.)	71.4	80.0	88.7	87.2	93.6	93.9	93.8	93.7	93.7	93.8
USDA net removals (mil. lb.)	285.0	255.3	634.3	59.6	32.6	39.3	55.4	60.7	73.5	87.4
Commercial disappearance (mil. lb.)	658.4	603.1	538.9	25.5	42.5	34.8	41.6	22.5	32.9	n.a.
Frozen dessert production (mil. gal.) <sup>4</sup>	1,173.5	1,152.9	1,167.5	98.8	72.3	77.2	73.0	80.5	98.4	100.6

<sup>1</sup> Manufacturing grade milk. <sup>2</sup> Pounds of 16% protein ration equal in value to 1 pound of milk. <sup>3</sup> Milk equivalent, fat-solids basis. <sup>4</sup> Ice cream, ice milk, and sherbert. n.a. = not available.

## Wool:

	Annual			1980			1981			
	1978	1979	1980	Apr	Nov	Dec	Jan	Feb	Mar	Apr
U.S. wool price, Boston <sup>1</sup> (cts./lb.)	189	218	245	231	253	253	253	268	274	278
Imported wool price, Boston <sup>2</sup> (cts./lb.)	230	257	265	238	285	296	299	297	289	285
U.S. mill consumption, scoured										
Apparel wool (thou. lb.)	102,246	106,533	113,423	11,368	8,753	10,019	10,154	11,040	12,730	n.a.
Carpet wool (thou. lb.)	13,009	10,513	9,131	901	569	578	750	796	914	n.a.

<sup>1</sup> Wool price delivered at U.S. mills, clean basis, Graded Territory 64's (20.60-22.04 microns) staple 2 1/2" and up. Prior to January 1976 reported as: Territory fine, good French combing and staple. <sup>2</sup> Wool price delivered at U.S. mills, clean basis, Australian 60/62's, type 64A (24 micron), including duty (25.5 cents). Duty in 1981 is 15.0 cents. Prior to January 1976 reported as: Australian 64's combing, excluding, n.a. not available.

# Meat animals:

	Annual			1980			1981			
	1978	1979	1980	Apr	Nov	Dec	Jan	Feb	Mar	Apr
Cattle on feed (7-States)										
Number on feed (thou. head) <sup>1</sup>	8,927	9,226	8,454	7,156	7,791	7,964	7,863	7,505	7,126	6,837
Placed on feed (thou. head) <sup>2</sup>	22,593	19,877	18,320	1,237	1,653	1,392	1,277	1,190	1,368	1,721
Marketings (thou. head)	20,297	18,793	17,422	1,435	1,353	1,363	1,525	1,440	1,538	1,386
Other disappearance (thou. head)	1,997	1,856	1,489	130	127	130	110	129	119	142
Beef steer-corn price ratio, Omaha (bu.) <sup>3</sup>	24.8	28.7	25.1	25.4	19.5	19.5	19.1	19.3	19.4	20.0
Hog-corn price ratio, Omaha (bu.) <sup>3</sup>	22.9	18.1	14.6	11.6	13.9	13.6	12.5	13.3	12.4	11.7
Commercial slaughter (thou. head) <sup>4</sup>										
Cattle	39,552	33,678	33,804	2,715	2,711	2,927	3,004	2,657	2,915	2,807
Steers	18,526	17,363	17,155	1,468	1,300	1,405	1,521	1,355	1,566	1,426
Heifers	11,758	9,725	9,593	732	743	839	827	770	786	796
Cows	8,470	5,923	6,332	460	611	625	598	478	503	518
Bulls and stags	798	639	724	56	57	58	58	54	61	66
Calves	4,170	2,824	2,589	206	214	240	238	209	239	212
Sheep and lambs	5,369	5,017	5,574	485	433	484	505	440	505	537
Hogs	77,315	89,099	96,076	8,886	7,706	8,192	8,132	7,188	8,337	8,324
Commercial production (mill. lb.)										
Beef	24,010	21,261	21,464	1,742	1,705	1,856	1,935	1,721	1,896	1,811
Veal	600	410	379	30	31	35	35	30	35	32
Lamb and mutton	300	284	310	28	25	28	30	26	29	29
Pork	13,209	15,270	16,432	1,516	1,339	1,426	1,416	1,234	1,423	1,424

Dol. per 100 pounds

Market Prices										
Slaughter cattle:										
Choice steers, Omaha	52.34	67.75	66.96	63.07	65.05	64.29	63.08	61.50	61.40	64.92
Utility cows, Omaha	36.79	50.10	45.73	45.73	43.91	42.92	41.61	43.65	43.12	43.95
Choice vealers, S. St. Paul	69.24	91.41	75.53	73.60	76.47	77.17	77.38	78.00	80.88	83.90
Feeder cattle:										
Choice, Kansas City, 600-700 lb.	58.78	83.08	75.23	69.87	73.75	72.98	72.58	70.40	68.80	68.94
Slaughter hogs:										
Barrows and gilts, 7-markets <sup>4</sup>	48.49	42.06	40.04	28.86	46.38	44.80	41.42	42.43	39.54	39.79
Feeder pigs:										
S. Mo. 40-50 lb. (per head)	48.16	35.26	30.14	23.86	37.20	34.74	31.50	36.86	36.33	39.33
Slaughter sheep and lambs:										
Lambs, Choice, San Angelo	65.33	68.45	66.64	65.50	—	61.75	57.50	57.75	56.75	63.20
Ewes, Good, San Angelo	28.97	32.82	24.68	27.90	24.00	24.33	30.50	34.12	34.00	26.70
Feeder lambs:										
Choice, San Angelo	75.61	77.53	68.36	64.00	68.67	69.33	61.75	62.25	59.00	61.30
Wholesale meat prices, Midwest <sup>5</sup>										
Choice steer beef, 600-700 lb.	80.43	101.62	104.44	99.41	101.44	100.57	99.80	96.08	94.32	99.68
Canner and Cutter cow beef	74.61	100.23	92.45	92.68	88.72	87.29	86.25	91.12	87.50	87.62
Pork loins, 8-14 lb.	95.99	91.35	84.87	70.90	91.76	92.67	97.50	96.36	91.12	85.84
Pork bellies 12-14 lb.	62.50	46.00	43.78	27.85	60.00	53.93	50.40	50.18	40.19	48.58
Hams, skinned, 14-17 lb.	86.37	77.04	73.34	56.46	86.40	80.35	65.01	67.42	68.28	72.68

	Annual			1979		1980			1981	
	1978	1979	1980	IV	I	II	III	IV	I	II
Cattle on feed (23-States):										
Number on feed (thou. head) <sup>1</sup>	12,811	12,681	11,713	9,938	11,713	10,203	9,635	9,965	11,105	11,074
Placed on feed (thou. head) <sup>2</sup>	29,073	26,062	24,557	8,102	5,207	5,651	6,369	7,340	6,154	—
Marketings (thou. head)	26,645	24,600	23,183	5,756	6,145	5,630	5,731	5,677	5,999	—
Other disappearance (thou. head) <sup>3</sup>	2,558	2,404	1,982	571	572	589	298	523	502	—
Hogs and pigs (14-States): <sup>4</sup>										
Inventory (thou. head) <sup>1</sup>	48,308	51,370	57,130	57,160	57,130	54,805	54,840	55,160	54,780	50,105
Breeding (thou. head) <sup>1</sup>	7,324	8,102	8,055	8,257	8,055	8,085	7,853	7,442	7,679	7,219
Market (thou. head) <sup>1</sup>	40,984	43,268	49,075	48,863	49,075	46,720	40,987	47,738	47,083	42,886
Farrowings (thou. head)	10,602	12,317	11,861	3,023	2,740	3,356	2,838	2,927	2,434	3,023
Pig crop (thou. head)	75,595	87,393	85,915	21,615	19,650	24,600	20,382	21,283	17,597	—

<sup>1</sup> Beginning of period. <sup>2</sup> Other disappearance excluded in 1973; not comparable with 1974 and 1975. <sup>3</sup> Bushels of corn equal in value to 100 pounds liveweight. <sup>4</sup> 220-240 lb. Beginning in January 230-240 lb. <sup>5</sup> Prior to Oct. 1975, Chicago. <sup>6</sup> Quarters are Dec. preceding year-Feb. (I), Mar.-May (II), June-Aug. (III), and Sept.-Nov. (IV). <sup>7</sup> Intentions. <sup>8</sup> Classes estimated.



## Poultry and eggs:

	Annual			1980			1981			
	1978	1979	1980	Apr	Nov	Dec	Jan	Feb	Mar	Apr
<b>Eggs</b>										
Farm production (mil.)	67,300	69,325	69,665	571.5	5,798	6,051	6,008	5,396	5,981	5,722
Average number of layers on farms (mil.)	282	289	287	282	294	294	293	291	287	284
Rate of lay (eggs per layer)	239	240	242	20.2	19.8	20.6	20.5	18.6	20.8	20.2
Cartoned price, New York, grade A										
large (cts./doz.) <sup>1</sup>	61.7	68.2	66.9	60.3	80.6	81.0	75.6	71.3	71.0	73.4
Price of laying feed (\$/ton)	152	168	188	173	218	220	218	219	215	215
Egg-feed price ratio (lb.) <sup>2</sup>	6.9	6.9	6.0	6.0	6.0	6.6	5.9	5.7	5.7	6.0
Stocks, beginning of period:										
Shell (thou. cases)	39	38	38	22	15	19	31	22	19	32
Frozen (mil. lb.)	29.7	25.3	23.4	23.4	29.2	25.3	24.3	24.5	24.2	22.3
Replacement chicks hatched (mil.)	492	519	487	47.8	33.8	35.8	37.1	35.7	43.8	46.6
<b>Broilers</b>										
Federally inspected slaughter, certified (mil. lb.)	9,883	10,916	11,089	977.7	785.4	911.8	965.5	849.7	998.7	—
Wholesale price, 9-city, (cts./lb.)	44.5	44.4	46.8	38.9	49.7	48.6	49.5	50.3	48.2	44.4
Price of broiler grower feed (\$/ton)	169	189	207	193	237	238	237	238	229	234
Broiler-feed price ratio (lb.) <sup>2</sup>	3.1	2.8	2.7	2.3	2.5	2.5	2.5	2.6	2.6	2.3
Stocks, beginning of period (mil. lb.)	29.4	20.1	30.6	31.2	28.4	25.1	22.4	27.1	26.8	24.8
Average weekly placements of broiler chicks, 21 States (mil.)	70.9	76.8	77.9	82.3	73.3	77.3	79.4	81.9	85.6	85.7
<b>Turkeys</b>										
Federally inspected slaughter, certified (mil. lb.)	1,983	2,182	2,303	141.4	241.8	187.3	140.0	118.6	134.0	—
Wholesale price, New York, 8-16 lb. young hens (cts./lb.)	66.7	68.1	63.6	54.1	75.0	67.0	59.4	60.7	63.8	61.2
Price of turkey grower feed (\$/ton)	182	202	223	200	260	261	257	255	254	254
Turkey-feed price ratio (lb.) <sup>2</sup>	4.6	4.1	3.5	3.4	3.8	3.5	3.1	3.1	3.2	3.0
Stocks, beginning of period (mil. lb.)	167.9	175.1	240.0	208.9	420.2	257.6	198.0	207.9	207.9	220.7
Poults hatched (mil.)	157.5	180.0	188.7	21.2	10.3	12.8	15.6	16.5	19.9	20.5

<sup>1</sup> Price of cartoned eggs to volume buyers for delivery to retailers. <sup>2</sup> Pounds of feed equal in value to 1 dozen eggs or 1 lb. of broiler or turkey liveweight.

## Crops and Products

### Feed grains:

	Marketing year <sup>1</sup>			1980			1981			
	1977/78	1978/79	1979/80	Apr	Nov	Dec	Jan	Feb	Mar	Apr
<b>Wholesale prices:</b>										
Corn, No. 2 yellow, Chicago (\$/bu.)	2.26	2.54	2.81	2.61	3.43	3.54	3.56	3.49	3.48	3.53
Sorghum, No. 2 yellow, Kansas City (\$/cwt.)	3.54	4.00	4.65	4.09	5.91	5.82	5.79	5.52	5.46	5.49
Barley, feed, Minneapolis (\$/bu.)	1.68	1.80	2.16	2.12	3.03	2.75	2.81	2.90	2.63	2.51
Barley, malting, Minneapolis (\$/bu.) <sup>2</sup>	2.27	2.38	2.87	2.73	3.88	3.77	3.75	3.83	3.71	3.84
<b>Exports:</b>										
Corn (mil. bu.)	1,948	2,133	2,433	215	246	240	209	201	223	187
Feed grains (mil. metric tons) <sup>3</sup>	56.3	60.2	71.7	6.5	7.0	6.8	6.2	6.1	6.4	5.3
	Marketing year <sup>1</sup>			1979			1980			
	1977/78	1978/79	1979/80	June-Sept	Oct-Dec	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar
<b>Corn:</b>										
Stocks, beginning (mil. bu.)	886	1,111	1,304	3,287	1,304	6,886	4,857	3,670	1,618	5,857
Domestic use:										
Feed (mil. bu.)	3,744	4,324	4,519	901	1,549	1,308	682	979	1,524	1,086
Food, seed, ind. (mil. bu.)	590	620	675	191	128	117	93	244	140	120
<b>Feed grains:<sup>3</sup></b>										
Stocks, beginning (mil. metric tons)	29.9	41.4	46.2	100.7	55.5	206.2	144.1	107.9	60.3	172.9
Domestic use:										
Feed (mil. metric tons)	118.6	136.1	138.0	30.4	47.6	39.6	20.3	30.5	45.5	31.9
Food, seed, ind. (mil. metric tons)	20.0	20.0	22.0	7.0	4.8	4.3	4.3	8.6	5.1	4.9

<sup>1</sup> Beginning October 1 for corn and sorghum; June 1 for oats and barley. <sup>2</sup> No. 3 or better, 65% or better, plump beginning October 1977. <sup>3</sup> Aggregated data for corn, sorghum, oats, and barley.

## Fats and oils:

	Marketing Year <sup>1</sup>			1980			1981			
	1977/78	1978/79	1979/80	Apr	Nov	Dec	Jan	Feb	Mar	Apr
<b>Soybeans:</b>										
Wholesale price, No. 1 yellow, Chicago (\$/bu.)	6.11	6.75	6.25	5.80	8.71	7.71	7.50	7.31	7.32	7.72
Crushings (mil. bu.)	927.7	1,017.8	1,123.0	92.0	98.5	94.1	92.2	79.6	89.1	—
Processing margin (\$/bu.) <sup>2</sup>	.29	.36	.50	.08	.14	.24	.20	.15	.16	.08
Exports (mil. bu.)	723.4	753.0	875.0	81.3	75.0	74.5	71.7	55.5	103.2	—
<b>Soybean oil:</b>										
Wholesale price, crude, Decatur (cts./lb.)	23.8	27.4	24.3	20.3	26.7	22.6	22.9	22.0	23.1	—
Production (mil. lb.)	10,291.4	11,323.0	12,105.0	993.7	1,077.6	1,024.3	1,010.6	887.8	990.9	—
Domestic disappearance (mil. lb.)	8,192.4	894.2	898.1	709.2	687.3	840.6	729.7	684.3	740.2	—
Exports (mil. lb.)	2,137.1	2,334.0	2,690.0	276.7	86.9	123.0	118.7	126.5	211.0	—
Stocks, beginning (mil. lb.)	766.6	771.0	776.0	1,175.9	1,373.9	1,677.3	1,738.0	1,913.1	1,977.1	2,016.7
<b>Soybean meal:</b>										
Wholesale price, 44% protein, Decatur (\$/ton)	161.87	190.10	181.90	—	261.40	223.70	223.50	212.50	210.40	222.00
Production (thou. ton)	22,398.9	24,354.0	27,105.0	2,203.1	2,366.5	2,248.5	2,216.5	1,905.3	2,105.81	—
Domestic disappearance (thou. ton)	16,287.2	1,772.0	1,923.8	1,566.9	2,182.2	2,305.0	1,562.1	1,140.9	1,136.1	—
Exports (thou. ton)	7,542.7	6,610	7,908.0	661.2	4,534	7,515	6,606	7,598	9,422	—
Stocks, beginning (thou. ton)	228.3	243	267.0	251.1	242.4	381.4	250.0	244	248.1	275.6
Margarine, wholesale price, Chicago (cts./lb.)	39.1	43.5	50.2	45.8	47.9	45.6	42.3	41.3	42.0	42.2

<sup>1</sup> Beginning September 1 for soybeans; October 1 for soy meal and oil; calendar year 1974, 1975, and 1976 for margarine. <sup>2</sup> Spot basis, Illinois shipping points.

## Fruit:

	Annual			1980			1981			
	1978	1979	1980	Apr	Nov	Dec	Jan	Feb	Mar	Apr
<b>Wholesale price indexes:</b>										
Fresh fruit (1967=100)	217.6	230.4	237.3	229.6	219.0	220.5	203.3	211.6	217.0	221.3
Dried fruit (1967=100)	355.3	530.7	380.4	374.8	391.0	391.0	382.2	381.1	381.1	385.5
Canned fruit and juice (1967=100)	213.9	240.2	256.4	254.7	261.3	260.4	239.5	267.3	271.0	271.4
Frozen fruit and juice (1967=100)	232.0	248.5	244.3	247.0	232.7	232.7	228.8	268.5	294.9	317.2
<b>F.o.b. shipping point prices:</b>										
Apples, Yakima Valley (\$/ctn.) <sup>1</sup>	n.a.	n.a.	n.a.	<sup>4</sup> 13.00	8.42	8.50	8.50	8.70	<sup>4</sup> 9.58	<sup>4</sup> 9.09
Pears, Medford, or (\$/box) <sup>2</sup>	n.a.	n.a.	n.a.	n.a.	10.02	10.00	9.69	10.26	<sup>4</sup> 12.50	n.a.
Oranges, U.S. avg. (\$/box)	10.69	12.50	9.50	8.73	11.70	11.00	10.10	11.20	10.20	9.66
Grapefruit, U.S. avg. (\$/box)	6.72	8.00	8.50	8.03	8.43	8.81	8.66	10.10	9.86	10.30
<b>Stocks, beginning:</b>										
Fresh apples (mil. lb.)	<sup>3</sup> 2,624.5	<sup>3</sup> 2,789.6	<sup>3</sup> 3,222.0	1,046.6	4,366.5	3,980.0	3,223.0	2,634.8	2,035.8	1,444.5
Fresh pears (mil. lb.)	<sup>3</sup> 195.3	<sup>3</sup> 157.6	<sup>3</sup> 206.0	48.5	350.3	357.6	205.0	170.9	118.4	73.9
Frozen fruit (mil. lb.)	<sup>3</sup> 517.9	<sup>3</sup> 563.7	<sup>3</sup> 578.0	396.8	664.1	626.1	579.7	553.6	499.0	449.7
Frozen fruit juices (mil. lb.)	<sup>3</sup> 714.0	<sup>3</sup> 734.3	<sup>3</sup> 1,005.4	1,408.7	1,102.9	948.9	1,010.4	1,185.6	1,372.6	1,535.5

<sup>1</sup> Red Delicious, Washington extra fancy, carton tray pack, 80-125's. <sup>2</sup> D'Anjou pears, Medford, or wrapped, U.S. No. 1, 90-135's. <sup>3</sup> Stocks as of January 1 of year listed. n.a. = not available. <sup>4</sup> C.A. storage.

## Food grains:

	Marketing year <sup>1</sup>			1980			1981			
	1977/78	1978/79	1979/80	Apr	Nov	Dec	Jan	Feb	Mar	Apr
<b>Wholesale Prices:</b>										
Wheat, No. 1 HRW, Kansas City (\$/bu.) <sup>2</sup>	2.72	3.38	4.25	3.90	4.89	4.54	4.60	4.47	4.35	4.48
Wheat, DNS, Minneapolis (\$/bu.) <sup>2</sup>	2.66	3.17	4.16	3.94	4.78	4.62	4.65	4.53	4.32	4.41
Flour, Kansas City (\$/cwt.)	6.60	7.81	10.03	9.49	10.68	10.35	10.66	10.40	10.28	10.53
Flour, Minneapolis (\$/cwt.)	7.34	8.17	10.27	9.69	11.14	10.86	11.05	11.11	10.98	11.10
Rice, S.W. La. (\$/cwt.) <sup>3</sup>	21.30	18.40	22.15	24.00	25.00	26.75	27.00	27.25	27.70	28.25
<b>Wheat:</b>										
Exports (mil. bu.)	1,124	1,194	1,375	102	115	136	134	131	136	—
Grind (mil. bu.)	616	622	630	47	55	57	58	51	55	—
Flour production (mil. cwt.)	276	278	284	21	24	25	26	23	25	—
	Marketing year <sup>1</sup>			1979			1980			1981
	1977/78	1978/79	1979/80	June-Sept	Oct-Dec	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar
<b>Wheat:</b>										
Stocks, beginning (mil. bu.)	1,113	1,178	924	924	2,271	1,716	1,225	902	2,472	1,904
<b>Domestic use:</b>										
Food (mil. bu.)	587	592	596	198	158	145	95	197	187	154
Feed and seed (mil. bu.) <sup>4</sup>	272	245	187	79	9	63	35	85	30	17
Exports (mil. bu.)	1,124	1,194	1,375	511	388	283	193	518	371	400

<sup>1</sup> Beginning June 1 for wheat and August 1 for rice. <sup>2</sup> Ordinary protein. <sup>3</sup> Long-grain, milled basis. <sup>4</sup> Feed use approximated by residual.



## Cotton:

	Marketing year <sup>1</sup>			1980			1981			
	1977/78	1978/79	1979/80	Apr	Nov	Dec	Jan	Feb	Mar	Apr
U.S. price, SLM, 1-1/16 in. (cts./lb.) <sup>2</sup>	52.7	61.6	71.5	79.1	87.1	87.2	85.1	83.3	81.5	81.2
Northern Europe prices:										
Index (cts./lb.) <sup>3</sup>	70.6	76.1	85.6	90.6	98.0	99.2	99.5	95.9	91.7	88.7
U.S., SM 1-1/16 in. (cts./lb.) <sup>4</sup>	66.0	75.3	87.5	95.1	104.3	106.0	105.4	102.9	100.3	99.1
U.S. mill consumption (thou. bales)	6,462.5	6,434.8	6,463.0	649.7	476.5	493.1	453.0	464.6	559.1	—
Exports (thou. bales)	5,484.1	6,180.2	9,228.9	963.1	455.9	566.2	703.9	723.2	771.5	—

<sup>1</sup> Beginning August 1. <sup>2</sup> Average spot market. <sup>3</sup> Liverpool Outlook "A" index; average of five lowest priced of 10 selected growths. <sup>4</sup> Memphis territory growths.

## Coffee

	Annual			1980			1981			
	1978	1979	1980 p	Apr	Nov	Dec	Jan	Feb	Mar	Apr
Composite green price, N.Y. (cts./lb.)	155.15	169.50	150.67	171.86	115.61	119.87	124.80	120.18	119.82	120.57
Imports, green bean equivalent (mil. lb.) <sup>1</sup>	2,448	2,656	2,466	220	202	231	251	236	183	*172
	Annual			1979			1980			
	1978	1979	1980 p	Oct-Dec	Jan-Mar	Apr-June	July-Sept	Oct-Dec	Jan-Mar p	Apr-June
Roastings (mil. lb.) <sup>2</sup>	2,156	2,249	2,255	564	568	532	511	644	627	*550

<sup>1</sup> Green and processed coffee. <sup>2</sup> Instant soluble and roasted coffee. p Preliminary. \* Forecast.

## Vegetables:

	Annual			1980			1981			
	1978	1979	1980	Apr	Nov	Dec	Jan	Feb	Mar	Apr
Wholesale prices:										
Potatoes, white, f.o.b. East (\$/cwt.)	5.20	4.54	6.32	3.32	8.46	9.28	11.99	13.40	12.34	12.18
Iceberg lettuce (\$/ctrn.) <sup>1</sup>	5.10	5.10	4.25	5.84	4.33	3.56	3.90	3.74	4.63	3.64
Tomatoes (\$/ctrn.) <sup>2</sup>	6.65	7.86	7.57	10.08	6.52	6.11	12.49	14.74	15.06	11.98
Wholesale price index, 10 canned veg. (1967=100)	175	191	200	191	221	218	219	218	219	236
Grower price index, fresh commercial veg. (1967=100)	209	215	217	2.34	246	250	280	323	345	299

<sup>1</sup> Std. carton 24's f.o.b. shipping point. <sup>2</sup> 5 x 6-6 x 6, f.o.b. Fla-Cal.

## Sugar:

	Annual			1980			1981			
	1978	1979	1980	Apr	Nov	Dec	Jan	Feb	Mar	Apr
U.S. raw sugar price, N.Y. (cts./lb.) <sup>1</sup>	—	—	30.10	22.67	39.28	30.29	29.61	26.07	23.81	19.91
U.S. deliveries (thou. short tons) <sup>2</sup>	10,849	10,714	10,149	769	704	*815	*697	*674	*877	*840

<sup>1</sup> Spot price reported by N.Y. Coffee and Sugar Exchange. Reporting resumed in mid August 1979 after being suspended November 3, 1977. <sup>2</sup> Raw value. <sup>3</sup> Excludes Hawaii. \* Preliminary.

## Tobacco:

	Annual			1980			1981			
	1978	1979	1980 <sup>1</sup>	Apr	Nov	Dec	Jan	Feb	Mar	Apr
Prices at auctions:										
Flue-cured (cts./lb.) <sup>2</sup>	135.0	140.0	144.5	—	133.5	—	—	—	—	—
Burley (cts./lb.) <sup>3</sup>	131.0	145.2	165.9	—	165.5	166.0	166.0	165.5	—	—
Domestic consumption <sup>3</sup>										
Cigarettes (bil.)	614.3	614.0	620.5	62.8	49.2	43.8	53.0	49.5	n.a.	n.a.
Large cigars (mil.)	4,701	4,298	3,994	286.8	313.2	288.7	255.6	266.9	n.a.	n.a.

<sup>1</sup> Subject to revision. <sup>2</sup> Crop year July-June for flue-cured, October-September for burley. <sup>3</sup> Taxable removals. n.a. = not available.

# Supply and Utilization: Crops

## Supply and Utilization: Domestic Measure<sup>1</sup>

	Area										
	Planted	Harvested	Yield	Production	Total Supply <sup>2</sup>	Feed and Residual	Other domestic use	Exports	Total use	Ending stocks	Farm price <sup>3</sup>
	Mil. acres		Bu/acre				Mil. bu.				\$/bu.
<b>Wheat:</b>											
1976/77	80.4	70.9	30.3	2,149	2,817	74	680	950	1,704	1,113	2.73
1977/78	75.4	66.7	30.7	2,046	3,161	193	667	1,124	1,983	1,178	2.33
1978/79	66.0	56.5	31.4	1,776	2,956	159	679	1,194	2,032	924	2.97
1979/80	71.4	62.5	34.2	2,134	3,060	87	696	1,375	2,158	902	3.78
1980/81*	80.4	70.9	33.4	2,370	3,274	75	720	1,525	2,320	954	4.00
1981/82*	87.1	80.2	33.7	2,703	3,659	150	727	1,575	2,452	1,207	3.70-4.30
<b>Rice:</b>											
	Mil. acres		lb/acre				Mil. cwt. (rough equiv.)				c/lb.
1976/77	2.49	2.48	4,663	115.6	152.6	—	42.7	65.6	108.3	40.5	7.02
1977/78	2.26	2.25	4,412	99.2	139.8	—	37.7	72.8	110.5	27.4	9.49
1978/79	2.99	2.97	4,484	133.2	160.7	—	49.2	75.7	124.9	31.6	8.16
1979/80	2.89	2.87	4,599	131.9	163.6	—	48.9	82.5	131.4	25.7	10.50
1980/81*	3.36	3.30	4,403	145.1	171.0	—	51.0	97.5	148.5	19.5	12.00
1981/82*	3.49	3.46	4,500	155.9	175.5	—	53.0	95.0	148.0	24.0	10.50-13.00
<b>Corn:</b>											
	Mil. acres		Bu/acre				Mil. bu.				\$/bu.
1976/77	84.6	71.5	88.0	6,289	6,691	3,571	550	1,684	5,805	886	2.15
1977/78	84.3	71.6	90.8	6,505	7,394	3,745	590	1,948	6,283	1,111	2.02
1978/79	81.7	71.9	101.0	7,268	8,380	4,323	620	2,133	7,076	1,304	2.25
1979/80	81.4	72.4	109.7	7,939	9,244	4,518	675	2,433	7,626	1,618	2.52
1980/81*	84.1	73.1	91.0	6,648	8,266	4,100	750	2,550	7,400	866	3.20
1981/82*	85.0	75.0	103.0	7,725	8,592	4,100	840	2,550	7,490	1,102	2.76-3.35
<b>Sorghum:</b>											
	Mil. acres		Bu/acre				Mil. bu.				\$/bu.
1976/77	18.1	14.5	49.1	711	762	414	11	246	671	91	2.03
1977/78	16.6	13.8	66.6	781	872	456	11	214	681	191	1.82
1978/79	16.2	13.4	54.5	731	922	544	11	207	762	160	2.01
1979/80	15.3	12.9	62.7	809	969	484	13	325	822	147	2.34
1980/81*	15.9	12.7	46.2	588	735	349	12	250	611	124	3.05
1981/82*	15.7	12.9	57.0	735	859	425	11	265	701	158	2.60-3.20
<b>Barley:</b>											
	Mil. acres		Bu/acre				Mil. bu.				\$/bu.
1976/77	9.3	8.4	45.4	383	522	175	155	66	396	126	2.25
1977/78	10.8	9.7	44.0	428	564	178	156	57	391	173	1.78
1978/79	10.0	9.2	49.2	455	638	217	167	26	410	228	1.92
1979/80	8.1	7.5	50.9	383	623	204	172	55	431	192	2.29
1980/81*	8.3	7.2	49.6	359	561	165	172	75	412	149	2.80
1981/82*	9.1	8.3	50.0	415	574	170	175	60	405	169	2.35-2.85
<b>Oats:</b>											
	Mil. acres		Bu/acre				Mil. bu.				\$/bu.
1976/77	16.6	11.8	45.7	540	747	485	88	10	583	164	1.56
1977/78	17.7	13.5	55.8	753	919	509	85	12	606	313	1.10
1978/79	16.4	11.1	52.3	582	896	526	77	13	616	280	1.20
1979/80	14.0	9.7	54.4	527	807	492	75	4	571	236	1.37
1980/81*	13.4	8.6	53.0	458	695	450	74	10	534	161	1.80
1981/82*	13.5	9.7	53.0	514	675	435	75	10	520	155	1.50-1.80
<b>Soybeans:</b>											
	Mil. acres		Bu/acre				Mil. bu.				\$/bu.
1976/77	50.3	49.4	26.1	1,289	1,534	477	790	564	1,431	103	6.81
1977/78	59.0	57.8	30.6	1,767	1,870	482	927	700	1,709	161	5.88
1978/79	64.7	63.7	29.4	1,869	2,030	499	1,018	739	1,856	174	6.66
1979/80	71.6	70.6	32.1	2,268	2,442	485	1,123	875	2,083	359	6.28
1980/81*	70.1	67.9	26.8	1,817	2,176	491	1,050	760	1,901	275	7.55
1981/82*	69.0	68.0	29.5	2,005	2,280	490	1,090	825	2,005	275	7.00-9.00
<b>Soybean oil:</b>											
							Mil. lbs.				c/lb.
1976/77	—	—	—	8,578	9,829	—	7,511	1,547	9,058	771	24.0
1977/78	—	—	—	10,288	11,059	—	8,273	2,057	10,330	729	24.6
1978/79	—	—	—	11,323	12,052	—	8,942	2,334	11,276	776	27.4
1979/80	—	—	—	12,105	12,881	—	8,981	2,690	11,671	1,210	24.3
1980/81*	—	—	—	11,550	12,760	—	9,100	1,750	10,850	1,910	23.5
1981/82*	—	—	—	11,880	13,790	—	9,500	2,000	11,500	2,290	21.0-26.0
<b>Soybean meal:</b>											
							Thou. tons				\$/ton
1976/77	—	—	—	18,488	18,843	—	14,056	4,559	18,615	228	199.8
1977/78	—	—	—	22,371	22,599	—	16,276	6,080	22,356	243	164.2
1978/79	—	—	—	24,354	24,597	—	17,720	6,610	24,330	267	190.1
1979/80	—	—	—	27,105	27,372	—	19,238	7,908	27,146	226	181.9
1980/81*	—	—	—	25,094	25,320	—	17,900	7,150	25,050	270	225.0
1981/82*	—	—	—	25,940	26,210	—	18,600	7,350	25,950	260	220.0-260.0

See footnotes at end of table.



# Supply and Utilization—Domestic Measure, Continued

	Area		Yield	Production	Total Supply <sup>1</sup>	Feed and Residual	Other domestic use	Exports	Total use	Ending stocks	Farm price <sup>2</sup>
	Planted	Harvested									
	Mil. acres		lb./acre								c/lb
Cotton:											
1976/77	11.6	10.9	465	10.6	14.3	—	6.7	4.8	11.5	2.9	64.1
1977/78	13.7	13.3	520	14.4	17.3	—	6.5	5.5	12.0	5.3	52.3
1978/79	13.4	12.4	420	10.9	16.2	—	6.4	6.2	12.5	4.0	58.4
1979/80	14.0	12.8	547	14.6	18.6	—	6.5	9.2	15.7	3.0	63.4
1980/81*	14.5	13.2	404	11.1	14.2	—	5.8	6.0	11.8	2.5	—
1981/82*	14.5	13.5	490	13.8	16.3	—	6.1	7.0	13.1	3.3	—

## Supply and Utilization—Metric Measure

	Area		Metric tons/ha	Production	Total Supply <sup>1</sup>	Mil. metric tons			Total use	Ending stocks	\$ / metric ton
	Mil. hectares										
Wheat:											
1976/77	32.5	28.7	2.04	58.5	76.7	2.1	18.5	25.8	46.4	30.3	100
1977/78	30.5	27.0	2.06	55.6	86.0	6.2	18.1	30.6	53.9	32.1	86
1978/79	26.7	22.9	2.11	48.3	80.4	4.3	18.5	32.5	55.3	25.1	109
1979/80	28.9	25.3	2.30	58.1	83.3	2.4	18.9	37.4	58.7	24.6	139
1980/81*	32.5	28.7	2.25	64.5	89.1	2.0	19.6	41.5	63.1	26.0	147
1981/82*	35.2	32.5	2.26	73.6	99.6	4.1	19.8	42.9	66.8	32.8	136-158
Rice:						Mil. metric tons (rough equiv.)					
1976/77	1.0	1.0	5.23	5.2	6.9	0.2	1.9	3.0	4.9	1.8	155
1977/78	.9	.9	4.95	4.5	6.3	0.1	1.7	3.3	5.0	1.2	209
1978/79	1.2	1.2	5.03	6.1	7.3	0.2	2.3	3.4	5.7	1.4	180
1979/80	1.2	1.2	6.17	6.0	7.4	0.3	2.2	3.7	5.9	1.2	231
1980/81*	1.4	1.3	4.93	6.6	7.8	0.2	2.3	4.4	6.7	.9	265
1981/82*	1.4	1.4	6.07	7.1	8.0	0.2	2.4	4.3	6.7	1.1	231-287
Corn:						Mil. metric tons					
1976/77	34.2	28.9	5.52	159.7	170.0	90.8	13.9	42.8	147.5	22.5	85
1977/78	34.1	29.0	5.70	165.2	187.8	95.1	15.0	49.5	159.6	28.2	80
1978/79	33.1	29.1	5.34	184.6	212.8	109.8	15.7	54.2	179.7	33.1	89
1979/80	32.9	29.3	6.89	201.7	234.8	114.8	17.1	61.8	193.7	41.1	99
1980/81*	34.0	29.6	5.71	168.9	210.0	104.1	19.1	64.8	188.0	22.0	126
1981/82*	34.4	30.4	6.48	196.2	218.2	104.1	21.3	64.8	190.2	28.0	108-132
Feed Grain:											
1976/77	52.1	43.0	4.51	194.0	211.5	112.1	18.9	50.6	181.6	29.9	—
1977/78	52.4	43.9	4.68	205.3	235.6	117.9	19.9	56.3	194.1	41.4	—
1978/79	50.3	42.7	5.19	221.5	263.2	135.9	20.9	60.2	217.0	46.2	—
1979/80	48.1	41.5	5.74	238.2	284.7	138.7	22.3	71.3	232.3	52.4	—
1980/81*	49.3	41.1	4.82	198.2	250.9	123.2	24.1	72.9	220.2	30.7	—
1981/82*	49.9	42.9	5.39	231.4	262.3	125.0	26.5	72.9	224.4	37.9	—
Soybeans:											
1976/77	20.4	20.0	1.76	35.1	41.7	4.2	21.5	15.3	38.9	2.8	250
1977/78	23.9	23.4	2.06	48.1	50.9	4.2	25.2	19.1	46.5	4.4	216
1978/79	26.2	25.8	1.98	50.9	55.3	4.8	27.7	20.1	50.6	4.7	245
1979/80	29.0	28.6	2.16	61.7	66.5	4.3	30.6	23.8	56.7	9.8	231
1980/81*	28.4	27.5	1.80	49.4	59.2	4.5	28.6	20.7	51.8	7.5	277
1981/82*	27.9	27.5	1.99	54.6	62.1	4.5	29.7	22.4	54.6	7.5	257-330
Soybean oil:											
1976/77	—	—	—	3.89	4.46	—	3.41	.70	4.11	.35	52.9
1977/78	—	—	—	4.67	5.02	—	3.75	.93	4.69	.33	542
1978/79	—	—	—	5.14	5.47	—	4.06	1.06	5.12	.35	604
1979/80	—	—	—	5.49	5.84	—	4.07	1.22	5.29	.55	536
1980/81*	—	—	—	5.24	5.79	—	4.13	.79	4.92	.87	518
1981/82*	—	—	—	5.39	6.26	—	4.31	.91	5.22	1.04	463-573
Soybean meal:											
1976/77	—	—	—	16.77	17.09	—	12.75	4.14	16.89	.21	220
1977/78	—	—	—	20.29	20.50	—	14.77	5.52	20.28	.22	181
1978/79	—	—	—	22.09	22.31	—	16.08	6.00	22.07	.24	210
1979/80	—	—	—	24.59	24.83	—	17.45	7.17	24.62	.21	201
1980/81*	—	—	—	22.76	22.97	—	16.24	6.49	22.73	.24	248
1981/82*	—	—	—	23.53	23.77	—	16.87	6.67	23.54	.23	243-287
Cotton:											
1976/77	4.7	4.4	.52	2.31	3.11	—	1.46	1.05	2.50	.63	\$/kg
1977/78	5.5	5.4	.58	3.14	3.77	—	1.42	1.20	2.61	1.15	1.41
1978/79	5.4	5.0	.47	2.36	3.53	—	1.39	1.35	2.72	.87	1.15
1979/80	5.7	5.2	.61	3.19	4.05	—	1.42	2.00	3.42	.65	1.29
1980/81*	5.9	5.3	.45	2.42	3.09	—	1.26	1.31	2.57	.54	1.40
1981/82*	5.9	5.6	.55	3.00	3.55	—	1.33	1.52	2.85	.72	—

\*May 12, 1981 Supply and Demand Estimates. <sup>1</sup>Marketing Year beginning June 1 for wheat, barley, and oats, August 1 for cotton and rice, September 1 for soybeans, and October 1 for corn, sorghum, soybean meal, and soybean oil. <sup>2</sup>Includes imports. <sup>3</sup>Season average. <sup>4</sup>Includes seed. <sup>5</sup>Upland and extra long staple. Stock estimates based on Census Bureau data which results in an unaccounted difference between supply and use estimates and changes in ending stocks. <sup>6</sup>Conversion factors: Hectare (ha.) = 2.471 acres, 1 metric ton = 2204.622 pounds, 36.7437 bushels of wheat or soybeans, 39.3679 bushels of corn or sorghum, 49.9296 bushels of barley, 69.8944 bushels of oats, 22.046 cwt of rice, and 4.59 480-pound bales of cotton. <sup>7</sup>Statistical discrepancy.

# General Economic Data

## Gross national product and related data

	Annual			1979			1980				1981
	1978	1979	1980 p	II	III	IV	I	II	III	IV	I p
\$ Bil. (Quarterly data seasonally adjusted at annual rates)											
Gross national product <sup>1</sup>	2,156.1	2,413.9	2,626.1	2,374.6	2,444.1	2,496.3	2,571.7	2,564.8	2,637.3	2,730.6	2,853.8
Personal consumption expenditures	1,348.7	1,510.9	1,672.8	1,478.0	1,529.1	1,582.3	1,631.0	1,626.8	1,682.2	1,751.0	1,805.8
Durable goods	199.3	212.3	211.9	207.4	213.3	216.1	220.9	194.4	208.8	223.3	237.3
Nondurable goods	529.8	602.2	675.7	586.4	611.5	639.2	661.1	664.0	674.2	703.5	725.2
Clothing and shoes	91.9	98.9	104.8	97.0	100.3	102.5	102.2	102.3	105.3	109.4	113.4
Food and beverages	276.4	312.1	345.7	306.0	314.3	329.0	336.2	338.4	347.7	360.4	372.4
Services	619.6	696.3	785.2	684.2	704.3	727.0	749.0	768.4	799.2	824.2	843.4
Gross private domestic investment	375.3	415.8	395.3	423.2	421.7	410.0	415.6	390.9	377.1	397.7	435.4
Fixed investment	353.2	398.3	401.2	390.1	408.3	410.8	413.1	383.5	393.2	415.1	432.8
Nonresidential	242.0	279.7	296.0	272.9	288.5	290.2	297.8	289.8	294.0	302.1	316.1
Residential	111.2	118.6	105.3	117.2	119.8	120.6	115.2	93.6	99.2	113.0	116.7
Change in business inventories	22.2	17.5	-5.9	33.1	13.3	-8	2.5	7.4	-16.0	-17.4	2.6
Net exports of goods and services	-6	13.4	23.3	8.2	17.9	7.6	8.2	17.1	44.5	23.3	37.0
Exports	219.8	281.3	339.8	266.8	293.1	306.3	337.3	333.3	342.4	346.1	376.8
Imports	220.4	267.9	316.5	258.6	275.2	298.7	329.1	316.2	297.9	322.7	339.8
Government purchases of goods and services	432.6	473.8	534.7	465.1	475.4	496.4	516.8	530.0	533.5	558.6	575.5
Federal	153.4	167.9	198.9	163.6	165.1	178.1	190.0	198.7	194.9	212.0	221.5
State and local	279.2	305.9	335.8	301.6	310.4	318.3	326.8	331.3	338.6	346.6	354.1
1972 \$ Bil. (Quarterly data seasonally adjusted at annual rates)											
Gross national product	1,436.9	1,483.0	1,480.7	1,473.4	1,488.2	1,490.6	1,501.9	1,463.3	1,471.9	1,485.6	1,516.0
Personal consumption expenditures	904.8	930.9	935.1	922.8	933.4	941.6	943.4	919.3	930.8	946.8	958.3
Durable goods	146.3	146.6	135.8	144.2	146.7	146.0	145.4	126.2	132.6	139.1	146.4
Nondurable goods	345.7	354.6	358.4	350.6	355.4	361.3	361.5	356.6	354.9	360.4	364.2
Clothing and shoes	73.3	76.6	78.0	75.3	77.4	78.4	76.9	76.7	78.3	80.1	82.8
Food and beverages	172.5	176.7	181.5	174.7	177.4	181.3	183.6	182.2	180.1	179.9	182.8
Services	412.8	429.6	440.9	428.0	431.3	434.3	436.5	436.5	443.3	447.3	447.7
Gross private domestic investment	229.7	232.6	203.6	238.7	232.6	221.5	218.3	200.5	195.3	200.6	210.6
Fixed investment	215.8	222.5	206.6	220.4	225.0	222.2	219.2	199.2	200.2	207.6	212.9
Nonresidential	153.4	163.3	158.4	161.3	166.4	164.1	165.0	156.1	155.5	157.0	162.0
Residential	62.4	59.1	48.1	59.1	58.6	58.1	54.2	43.1	44.7	50.6	50.8
Change in business inventories	14.0	10.2	-2.9	18.4	7.6	-7	-9	1.3	-5.0	-7.2	-2.3
Net exports of goods and services	24.6	37.7	52.0	31.6	41.1	42.2	50.1	51.7	57.6	48.5	53.9
Exports	127.5	146.9	161.1	140.5	151.3	154.8	165.9	160.5	160.5	157.4	166.8
Imports	103.0	109.2	109.1	108.8	110.2	112.8	115.8	108.9	102.8	108.9	112.9
Government purchases of goods and services	277.8	281.8	290.0	280.3	281.1	285.3	290.1	291.9	288.2	289.8	293.2
Federal	99.8	101.7	108.1	100.8	99.9	103.1	107.6	110.7	106.9	107.4	111.0
State and local	178.0	180.1	181.9	179.4	181.2	182.2	182.5	181.2	181.3	182.4	182.2
New plant and equipment expenditures (\$bil.)	231.24	270.46	295.63	255.24	273.15	284.30	291.89	294.36	296.23	299.58	310.10
Implicit price deflator for GNP (1972=100)	150.05	162.77	177.36	161.17	164.23	167.47	171.23	175.28	179.18	183.81	188.25
Disposable income (\$bil.)	1,462.9	1,641.7	1,821.7	1,612.9	1,663.8	1,710.1	1,765.1	1,784.1	1,840.6	1,897.0	1,946.9
Disposable income (1972 \$bil.)	981.5	1,011.5	1,018.4	1,006.9	1,015.7	1,017.7	1,021.0	1,008.2	1,018.5	1,025.8	1,033.2
Per capita disposable income (\$)	6,688	7,441	8,176	7,320	7,533	7,722	7,953	8,020	8,249	8,479	8,684
Per capita disposable income (1972 \$)	4,487	4,584	4,571	4,570	4,598	4,596	4,600	4,532	4,565	4,585	4,609
U.S. population, tot., incl. military abroad (mil.)*	222.6	225.1	227.7	224.7	225.4	225.9	226.7	227.3	228.0	228.6	229.0
Civilian population (mil.)*	220.5	223.0	225.6	222.7	223.3	224.0	224.6	225.2	225.9	226.5	226.9

See footnotes at end of next table.



## Selected monthly indicators

	Annual			1980			1981			
	1978	1979	1980 p	Apr	Nov	Dec	Jan	Feb	Mar	Apr p
Monthly data seasonally adjusted except as noted										
Industrial production, total <sup>1</sup> (1967=100) . . . . .	146.1	152.5	147.1	148.3	149.4	151.0	151.7	151.5	152.2	152.8
Manufacturing (1967=100) . . . . .	146.8	153.6	146.6	147.9	149.1	150.6	151.1	161.1	151.9	152.8
Durable (1967=100) . . . . .	139.7	146.4	136.6	138.4	139.3	140.6	141.4	140.6	142.4	143.6
Nondurable (1967=100) . . . . .	156.9	164.0	161.1	161.6	163.3	165.0	165.2	166.3	166.6	166.2
Leading economic indicators <sup>1</sup> <sup>4</sup> (1967=100) . . . . .	141.8	140.1	131.7	126.2	137.3	137.2	136.0	135.4	137.8	138.3
Employment <sup>2</sup> (Mil. Persons) . . . . .	94.4	96.9	97.3	97.2	97.3	97.3	97.7	97.9	98.4	99.0
Unemployment rate <sup>2</sup> (%) . . . . .	6.0	5.8	7.1	6.9	7.5	7.4	7.4	7.3	7.3	7.3
Personal income <sup>1</sup> (\$bil. annual rate) . . . . .	1,721.8	1,943.8	2,160.2	2,102.1	2,257.6	2,276.6	2,300.7	2,317.7	2,337.9	2,351.1
Hourly earnings in manufacturing <sup>5</sup> <sup>6</sup> (\$) . . . . .	6.17	6.69	7.27	7.09	7.59	7.69	7.73	7.74	7.79	7.86
Money stock (daily average) <sup>3</sup> (\$bil.) . . . . .	<sup>7</sup> 360.1	<sup>7</sup> 386.9	<sup>7</sup> 411.9	386.5	414.7	411.3	416.0	419.0	422.9	429.5
Time and savings deposits (daily average) (\$bil.) . . . . .	<sup>7</sup> 1,204.3	<sup>7</sup> 1,292.2	<sup>7</sup> 1,404.8	1,317.0	1,383.5	1,399.8	1,413.7	1,418.6	1,418.1	1,417.1
Three-month Treasury bill rate <sup>2</sup> (%) . . . . .	7.221	10.041	11.506	14.003	13.888	15.661	14.724	14.905	13.478	13.635
Aaa corporate bond yield (Moody's) <sup>6</sup> (%) . . . . .	8.73	9.63	11.94	12.04	12.97	13.21	12.81	13.35	13.33	13.88
Interest rate on new home mortgages <sup>6</sup> <sup>8</sup> (%) . . . . .	9.54	10.77	12.65	13.03	13.04	13.28	13.26	13.54	14.02	14.15
Housing starts, private (including farm) (thou.) . . . . .	2,020.3	1,745.1	1,292.0	1,044	1,550	1,535	1,660	1,215	1,289	1,343
Auto sales at retail, total <sup>1</sup> (mil.) . . . . .	11.3	10.6	9.0	8.0	9.3	8.9	9.7	10.5	10.4	8.0
Business sales, total <sup>1</sup> (\$bil.) . . . . .	256.5	291.8	316.6	301.2	334.4	339.4	345.6	346.4	345.9 p	—
Business inventories, total <sup>1</sup> (\$bil.) . . . . .	383.5	430.9	461.7	448.9	461.9	461.7	465.1	470.8	471.8 p	—
Sales of all retail stores (\$bil.) <sup>10</sup> . . . . .	66.9	74.3	79.5	76.4	82.8	83.4	85.5	86.8	87.2 p	86.3
Durable goods stores (\$bil.) . . . . .	23.2	25.3	24.8	23.0	26.1	26.0	27.1	28.3	28.2 p	26.8
Nondurable goods stores (\$bil.) . . . . .	43.6	49.1	54.7	53.4	56.8	57.5	58.4	58.5	58.9 p	59.5
Food stores (\$bil.) . . . . .	14.5	16.3	18.1	17.7	18.8	19.1	19.1	19.1	19.6 p	19.8
Eating and drinking places (\$bil.) . . . . .	5.9	6.6	7.2	7.1	7.4	7.6	7.9	7.9	8.0 p	7.9
Apparel and accessory stores (\$bil.) . . . . .	3.3	3.5	3.7	3.6	3.9	3.9	3.9	4.0	3.9 p	4.0

<sup>1</sup> Department of Commerce. <sup>2</sup> Board of Governors of the Federal Reserve System. <sup>3</sup> M1-B. <sup>4</sup> Composite index of 12 leading indicators. <sup>5</sup> Department of Labor, Bureau of Labor Statistics. <sup>6</sup> Not seasonally adjusted. <sup>7</sup> December of the year listed. <sup>8</sup> Moody's Investors Service. <sup>9</sup> Federal Home Loan Board. <sup>10</sup> Adjusted for seasonal variations, holidays, and trading day differences. p Preliminary. \*Data revised to reflect the results of the 1980 census count.

## U.S. Agricultural Trade

### U. S. agricultural exports

	October-March				March			
	1979/80	1980/81	1979/80	1980/81	1980	1981	1980	1981
	Thou. units		\$ Thou.		Thou. units		\$ Thou.	
Animals, live, excluding poultry . . . . .	—	—	77,915	94,302	—	—	8,446	11,574
Meat and preps., excluding poultry (mt) . . . . .	202	225	440,050	527,480	37	47	80,306	112,037
Dairy products, excluding eggs . . . . .	—	—	74,343	99,603	—	—	14,410	16,067
Poultry and poultry products . . . . .	—	—	246,592	368,171	—	—	49,194	60,630
Grains and preparations . . . . .	—	—	8,570,662	10,970,001	—	—	1,421,448	1,935,443
Wheat and wheat flour (mt) . . . . .	17,893	20,675	3,226,153	3,988,635	2,717	3,631	501,808	716,858
Rice, milled (mt) . . . . .	1,442	1,654	540,290	768,186	267	376	109,496	170,304
Feed grains, excluding products (mt) . . . . .	36,773	39,149	4,637,769	6,009,659	6,080	6,405	786,366	1,014,008
Other . . . . .	—	—	166,450	203,521	—	—	23,778	35,273
Fruits, nuts, and preparations . . . . .	—	—	1,139,017	1,144,790	—	—	193,047	181,261
Vegetables and preparations . . . . .	—	—	463,748	832,982	—	—	96,306	123,578
Sugar & preps., including honey . . . . .	—	—	91,771	367,748	—	—	21,819	101,139
Coffee, tea, cocoa, spices, etc. (mt) . . . . .	25	28	82,600	128,630	4	6	11,058	21,860
Feeds and fodders . . . . .	—	—	1,470,140	1,560,573	—	—	274,133	335,563
Protein meal (mt) . . . . .	4,225	3,874	967,922	1,006,462	821	899	178,291	229,435
Beverages excl. distilled alcohol (Lit) . . . . .	25,321	68,465	10,863	33,312	6,992	7,831	2,924	3,544
Tobacco, unmanufactured (mt) . . . . .	166	142	806,760	732,291	37	24	115,165	117,416
Hides, skins, and furskins . . . . .	—	—	714,805	586,028	—	—	139,718	119,121
Oilseeds . . . . .	—	—	3,953,456	3,916,490	—	—	497,595	886,311
Soybeans (mt) . . . . .	13,973	11,979	3,638,080	3,681,430	1,887	2,808	479,993	847,338
Wool, unmanufactured (mt) . . . . .	2	2	16,112	14,015	( <sup>1</sup> )	( <sup>1</sup> )	2,546	2,753
Cotton, unmanufactured (mt) . . . . .	1,137	783	1,659,484	1,419,701	269	173	391,873	316,255
Fats, oils, and greases (mt) . . . . .	732	764	389,254	380,362	174	169	87,693	83,889
Vegetable oils and waxes (mt) . . . . .	895	790	625,018	542,295	233	194	146,479	128,429
Rubber and allied gums (mt) . . . . .	7	6	9,908	11,766	1	1	2,009	2,775
Other . . . . .	—	—	450,142	577,800	—	—	70,800	107,157
Total . . . . .	—	—	21,292,640	24,308,340	—	—	3,686,969	4,666,802

<sup>1</sup> Less than 500,000.

# U.S. agricultural exports by regions

Region <sup>1</sup>	October-March		March		Change from year earlier	
	1979/80	1980/81	1980	1981	October-March	March
	\$ Mil.				PCT	
Western Europe . . . . .	6,779	6,391	1,085	1,325	-6	+22
European Community (EC-9) . . . . .	5,106	4,827	816	975	-5	+19
Other Western Europe . . . . .	1,673	1,564	270	349	-7	+29
Greece . . . . .	128	120	23	14	-6	-39
Portugal . . . . .	321	402	58	105	+25	+81
Spain . . . . .	787	623	114	149	-21	+31
Eastern Europe . . . . .	1,406	1,222	274	225	-13	-18
German Dem. Rep. . . . .	325	246	66	32	-24	-52
Poland . . . . .	443	457	91	91	+3	—
Romania . . . . .	218	234	46	56	+7	+22
U.S.S.R. . . . .	1,324	1,239	158	162	-6	+3
Asia . . . . .	7,016	8,729	1,279	1,679	+24	+31
West Asia . . . . .	704	878	128	187	+25	+46
Iran . . . . .	43	48	0	39	+12	—
Iraq . . . . .	145	78	46	12	-46	-74
Israel . . . . .	172	190	31	42	+10	+35
Saudi Arabia . . . . .	177	269	30	37	+52	+23
South Asia . . . . .	332	155	82	35	-53	-57
India . . . . .	214	81	55	22	-62	-60
Pakistan . . . . .	45	45	16	11	—	-31
East and Southeast Asia . . . . .	5,980	7,696	1,068	1,458	+29	+37
China, Mainland . . . . .	884	1,414	190	287	+60	+51
Hong Kong . . . . .	224	204	42	36	-9	-14
Indonesia . . . . .	240	186	39	46	-22	+18
Japan . . . . .	2,938	3,812	458	698	+30	+52
Korea . . . . .	781	1,115	155	195	+43	+26
Philippines . . . . .	135	150	23	23	+11	—
Taiwan . . . . .	559	584	97	113	+4	+16
Africa . . . . .	1,065	1,264	269	315	+19	+17
North Africa . . . . .	618	661	177	170	+7	-4
Algeria . . . . .	103	124	20	33	+20	+65
Egypt . . . . .	383	431	126	110	+13	-13
Other Africa . . . . .	447	603	92	145	+35	+58
Nigeria . . . . .	179	206	40	35	+15	-12
Latin America and Caribbean . . . . .	2,462	3,887	452	726	+58	+61
Brazil . . . . .	409	518	79	44	+27	-44
Caribbean . . . . .	344	406	69	72	+18	+4
Central America . . . . .	165	186	34	34	+13	—
Chile . . . . .	108	206	11	28	+91	+155
Mexico . . . . .	792	1,613	151	338	+104	+124
Peru . . . . .	85	241	25	54	+184	+116
Venezuela . . . . .	285	498	45	111	+75	+147
Canada, excl. transshipments . . . . .	830	1,035	145	195	+25	+34
Canadian transshipments . . . . .	306	428	8	22	+40	+175
Oceania . . . . .	105	112	16	17	+7	+6
Total . . . . .	21,293	24,308	3,687	4,667	+14	+27

<sup>1</sup> Not adjusted for transshipments.



## Prices of principal U.S. agricultural trade products

	Annual			1980			1981			
	1978	1979	1980	Apr	Nov	Dec	Jan	Feb	Mar	Apr
<b>Export commodities:</b>										
Wheat, f.o.b. vessel, Gulf ports (\$/bu.) . . . . .	3.56	4.45	4.78	4.45	5.41	5.12	5.20	5.01	4.79	4.93
Corn, f.o.b. vessel, Gulf ports (\$/bu.) . . . . .	2.66	3.01	3.28	2.86	3.79	3.83	3.94	3.69	3.66	3.71
Grain sorghum, f.o.b. vessel, Gulf ports (\$/bu.) . . . . .	2.48	2.85	3.38	3.00	3.93	3.85	3.89	3.65	3.61	3.61
Soybeans, f.o.b. vessel, Gulf ports (\$/bu.) . . . . .	7.04	7.69	7.39	6.36	9.30	8.23	8.12	7.74	7.74	8.07
Soybean oil, Decatur lcts./lb.) . . . . .	26.79	27.59	23.63	20.74	26.26	23.72	22.41	21.55	23.00	23.18
Soybean meal, Decatur (\$/ton) . . . . .	170.71	191.08	196.47	165.78	260.78	222.79	219.81	211.08	207.57	221.38
Cotton, 10 market avg. spot lcts./lb.) . . . . .	58.31	61.81	81.13	78.27	87.05	87.23	85.11	83.30	81.52	81.15
Tobacco, avg. price of auction lcts./lb.) . . . . .	121.88	132.15	142.29	139.15	143.62	153.07	149.40	149.40	149.16	149.50
Rice, f.o.b. mill, Houston (\$/cwt.) . . . . .	20.61	20.25	21.89	23.00	24.75	26.55	26.55	25.75	27.10	27.75
Inedible tallow, Chicago (cts./lb.) . . . . .	19.74	23.45	18.52	17.90	20.44	18.95	15.81	15.83	15.95	16.46
<b>Import commodities:</b>										
Coffee, N.Y. spot (\$/lb.) . . . . .	1.66	1.74	1.64	1.85	1.25	1.21	1.25	1.23	1.24	1.25
Sugar, N.Y. spot (cts./lb.) . . . . .	13.92	15.61	30.10	31.89	39.27	30.29	29.57	26.07	23.81	20.00
Cow meat, f.o.b. port of entry (cts./lb.) . . . . .	97.17	130.98	125.18	110.50	133.25	124.59	121.73	116.76	113.30	—
Rubber, N.Y. spot (cts./lb.) . . . . .	60.19	64.57	73.80	68.78	71.71	72.24	70.38	68.24	65.52	60.40
Cocoa beans, N.Y. (\$/lb.) . . . . .	1.53	1.44	1.14	1.14	.94	.91	.92	.89	.93	.92
Bananas, f.o.b. port of entry (\$/40-lb. box) . . . . .	5.20	5.91	6.89	8.06	6.88	6.71	7.03	7.90	8.33	7.72
Canned Danish hams, ex-warehouse N.Y. (\$/lb.) . . . . .	2.02	2.01	1.94	1.83	2.07	1.97	1.91	—	—	—

n.a. = not available.

## U.S. agricultural imports

	October-March				March			
	1979/80	1980/81	1979/80	1980/81	1980	1981	1980	1981
	Thou. units		\$ Thou.		Thou. units		\$ Thou.	
Live animals, excluding poultry . . . . .	—	—	300,299	206,878	—	—	30,096	32,655
Meat and preparations, excl. poultry (mt) . . . . .	471	470	1,227,173	1,217,896	75	59	200,067	152,784
Beef and veal (mt) . . . . .	367	353	965,613	905,817	56	40	152,468	102,090
Pork (mt) . . . . .	89	101	227,608	272,514	17	17	40,910	43,121
Dairy products, excluding eggs . . . . .	—	—	239,638	288,235	—	—	25,823	29,228
Poultry and poultry products . . . . .	—	—	29,587	47,323	—	—	7,493	8,288
Grains and preparations . . . . .	—	—	135,889	156,561	—	—	24,846	26,421
Wheat and flour (mt) . . . . .	1	2	229	1,018	( <sup>1</sup> )	( <sup>1</sup> )	35	289
Rice (mt) . . . . .	1	2	812	1,240	( <sup>1</sup> )	( <sup>1</sup> )	134	267
Feed grains (mt) . . . . .	100	73	15,227	14,339	25	17	4,015	3,597
Other . . . . .	—	—	119,621	139,964	—	—	20,662	22,268
Fruits, nuts, and preparations . . . . .	—	—	596,442	664,593	—	—	111,768	139,571
Bananas, Fresh (mt) . . . . .	1,149	1,175	198,575	229,427	223	222	38,126	47,162
Vegetables and preparations . . . . .	—	—	482,731	452,635	—	—	105,450	101,173
Sugar and preparations, incl. honey . . . . .	—	—	746,919	1,379,718	—	—	175,305	200,750
Sugar, cane or beet (mt) . . . . .	2,048	1,888	637,803	1,261,309	355	284	155,479	182,251
Coffee, tea, cocoa, spices, etc. (mt) . . . . .	842	883	3,082,836	2,487,935	129	143	449,893	372,224
Coffee, green (mt) . . . . .	574	569	2,228,913	1,701,570	85	84	311,956	243,928
Cocoa beans (mt) . . . . .	57	101	174,964	206,778	8	19	26,302	37,762
Feeds and fodders . . . . .	—	—	44,777	54,162	—	—	8,351	9,735
Protein meal (mt) . . . . .	21	12	3,390	2,776	6	3	946	696
Beverages, incl. distilled alcohol (hl) . . . . .	4,387	4,681	499,876	560,771	709	776	76,269	85,164
Tobacco, unmanufactured (mt) . . . . .	87	87	212,742	195,711	18	14	42,751	30,740
Hides, skins, and furskins . . . . .	—	—	127,145	144,021	—	—	33,473	30,889
Oilseeds . . . . .	—	—	360,633	467,083	—	—	51,262	110,568
Soybeans (mt) . . . . .	( <sup>1</sup> )	8	104	2,691	( <sup>1</sup> )	1	45	211
Wool, unmanufactured (mt) . . . . .	15	21	49,879	73,016	3	4	9,913	14,616
Cotton, unmanufactured (mt) . . . . .	10	9	4,070	8,096	3	2	1,512	2,862
Fats, oils, and greases (mt) . . . . .	4	5	3,921	4,378	1	1	849	863
Vegetable oils and waxes (mt) . . . . .	361	503	330,458	315,566	48	71	43,709	44,995
Rubber and allied gums (mt) . . . . .	356	303	454,850	389,713	77	54	101,089	71,361
Other . . . . .	—	—	21,230	79,442	—	—	24,174	24,574
<b>Total . . . . .</b>	—	—	8,951,095	9,193,733	—	—	1,524,093	1,489,501

<sup>1</sup> Less than 500,000. Note: 1 metric ton (mt) = 2,204,622 lb; 1 hectoliter (hl) = 100 liters = 26.42008 gal.

## Trade balance

	October-March		March	
	1979/80	1980/81	1980	1981
	\$ Mil.			
Agricultural exports <sup>1</sup>	21,293	24,308	3,687	4,667
Nonagricultural exports <sup>2</sup>	81,270	91,612	15,615	17,816
Total exports <sup>3</sup>	102,563	115,920	19,302	22,483
Agricultural imports <sup>3</sup>	8,951	9,194	1,524	1,490
Nonagricultural imports <sup>4</sup>	111,993	117,746	19,769	19,858
Total imports	120,944	126,940	21,293	21,348
Agricultural trade balance	12,342	15,114	2,163	3,177
Nonagricultural trade balance	-30,723	-26,134	-4,154	-2,042
Total trade balance	-18,381	-11,020	-1,991	+1,135

<sup>1</sup> Domestic exports including Department of Defense shipments (F.A.S. value). <sup>2</sup> Domestic and foreign exports including Department of Defense shipments (F.A.S. value). <sup>3</sup> Imports for consumption (Customs value). <sup>4</sup> General imports (Customs value).

## World Agricultural Production

### World supply and utilization of major crops

	1974/75	1975/76	1976/77	1977/78	1978/79	1979/80	1980/81	1981/82 <sup>1</sup>
	Mil. units							
Wheat:								
Area (hectare)	219.8	224.8	232.5	226.4	228.3	227.6	236.4	239.2
Production (metric ton)	357.3	350.6	421.2	383.8	446.6	442.0	438.9	463.4 ± 20
Exports (metric ton) <sup>2</sup>	63.9	66.7	63.1	73.0	72.0	86.1	93.5	93.7 ± 5
Consumption (metric ton) <sup>3</sup>	363.8	351.7	385.2	398.5	429.9	444.5	447.2	446.8 ± 15
Ending stocks (metric ton) <sup>4</sup>	63.9	62.8	98.8	84.1	101.0	78.6	70.3	86.9 ± 12
Coarse grains:								
Area (hectare)	342.8	350.2	344.6	345.0	342.6	339.5	340.3	348.1
Production (metric ton)	628.5	645.3	704.4	700.9	753.1	739.9	725.3	776.6 ± 25
Exports (metric ton) <sup>2</sup>	63.4	76.4	82.5	83.9	90.2	100.7	104.2	110.0 ± 6
Consumption (metric ton) <sup>3</sup>	634.7	645.9	685.4	692.4	746.7	741.8	743.1	763.6 ± 16
Ending stocks (metric ton) <sup>4</sup>	57.3	56.5	75.6	84.1	90.5	88.8	71.0	84.0 ± 13
Rice, milled:								
Area (hectare)	137.8	142.8	141.6	142.9	142.5	140.7	143.8	144.5
Production (metric ton)	227.3	243.1	236.2	248.9	259.2	253.7	265.4	268.0 ± 6
Exports (metric ton) <sup>5</sup>	7.8	9.0	10.5	9.5	11.9	12.3	13.2	13.0 ± 6
Consumption (metric ton) <sup>3</sup>	228.9	235.5	237.5	243.3	254.7	258.6	265.0	268.0 ± 4
Ending stocks (metric ton) <sup>4</sup>	11.3	18.9	17.6	23.7	28.2	23.4	23.8	23.8 ± 3
Total grains:								
Area (hectare)	700.4	717.8	718.7	714.3	713.4	707.8	719.5	731.8
Production (metric ton)	1,213.1	1,239.0	1,361.8	1,333.6	1,458.9	1,415.6	1,429.6	1,508.0 ± 37
Exports (metric ton) <sup>2</sup>	135.1	152.1	156.1	166.4	174.1	199.1	210.9	216.7 ± 8
Consumption (metric ton) <sup>3</sup>	1,227.4	1,233.1	1,308.1	1,334.2	1,431.3	1,444.9	1,455.3	1,478.4 ± 30
Ending stocks (metric ton) <sup>4</sup>	132.5	138.2	192.0	191.9	219.7	190.8	165.1	194.7 ± 20
Oilseeds and meals: <sup>1, 6</sup>								
Production (metric ton)	65.1	73.3	66.7	78.7	83.5	95.9	87.6	—
Trade (metric ton)	27.7	33.8	33.9	38.8	40.6	46.2	45.0	—
Fats and Oil: <sup>6</sup>								
Production (metric ton)	46.2	49.3	47.4	52.3	54.3	58.3	56.9	—
Trade (metric ton)	14.0	16.1	16.9	18.3	19.3	20.8	20.9	—
Cotton:								
Area (hectare)	33.4	29.8	30.7	32.8	32.4	32.1	32.5	33.3
Production (bale)	64.5	54.0	56.8	64.1	60.2	65.7	65.5	68.9 ± 3.5
Exports (bale)	17.5	18.1	17.6	19.2	19.8	23.0	20.1	21.1 ± 1.1
Consumption (bale)	58.7	61.1	60.6	60.2	62.9	65.6	66.2	67.9 ± 1.7
Ending stocks (bale)	30.9	24.0	20.4	24.8	22.1	21.9	21.3	22.3 ± 3.4

<sup>1</sup> Forecast. <sup>2</sup> Excludes intra-EC trade. <sup>3</sup> Where stocks data not available (excluding USSR), consumption includes stock changes. <sup>4</sup> Stocks data are based on differing marketing years and do not represent levels at a given date. Data not available for all countries; includes estimated change in USSR grain stocks but not absolute level.

<sup>5</sup> Soybean meal equivalent. <sup>6</sup> Calendar year data. 1975 data corresponds with 1974/75, 1976 data with 1975/76, etc.







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